

9-1-2011

State v. Hill Clerk's Record v. 2 Dckt. 38808

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LAW CLERK

Vol. 2 of 6

IN THE
SUPREME COURT
OF THE
STATE OF IDAHO

STATE OF IDAHO

Plaintiff / Respondent

vs.

JERRY ALLAN HILL

Defendant / Appellant

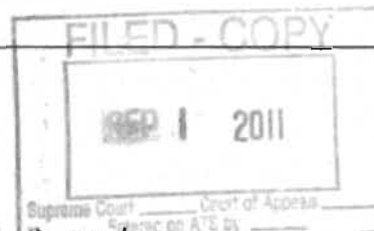
*Appealed from the District Court of the First Judicial District
of the State of Idaho, in and for the County of Kootenai.*

Lawrence G. Wasden
Attorney General
P.O. Box 83720
Boise, ID 83720-0010

Attorney for Respondent

Molly Huskey
State Appellate Public Defender
P.O. Box 83720
Boise, ID 83720-0005

Attorney for Appellant



38808

Vol. 2

State of Idaho
County of Kootenai
Filed 5/13/10 ss
At 3:30 o'clock P M.
CLERK OF THE COURT
BY Deane Clouse
Deputy

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT
OF THE STATE OF IDAHO IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)

Plaintiff,)

Case No. **CRF 08-26363**

vs.)

Jerry A. Hill
Defendant.)

ORDER FOR EVALUATION(S)
AND SETTING SENTENCING

Phone _____)
DOB 2/18/90)

In Custody ☐ Yes – Transport for PSI/Eval authorized
☒ No

The above named defendant having - ☐] pled guilty in this matter, ☒] been found guilty by jury trial
to: 3 Counts of Grand Theft.

IT IS ORDERED that not later than the next business day after the date of this order you must physically report to Probation & Parole, 202 Anton, Coeur d'Alene, Idaho (208/769-1444) and comply with conditions of the presentence investigation. The presentence report is due seven (7) days prior to the sentencing hearing.

IT IS FURTHER ORDERED that your continued release is conditioned upon your making and keeping all appointments with Probation & Parole, complying with all conditions of the presentence investigator, and obtaining any or all of the following evaluations. You must obtain any evaluation checked below.

_____ Substance Abuse Evaluation ☐ Pursuant to I.C. 19-2524, to be paid for by
_____ Mental Health Evaluation ☐ the Dept. of Health & Welfare subject to
_____ Psychosexual Evaluation reimbursement by the defendant.
_____ Domestic Violence Evaluation

YOU ARE ORDERED to appear for sentencing on July 20, 2010 at 2:30p.m.

DATED this 13th day of May, 2010.

Deane Clouse
Judge

CERTIFICATE OF DELIVERY

I hereby certify that on the 13 day of May, 2010 copies of the foregoing Order were delivered in court, mailed-postage prepaid, sent by facsimile or interoffice mail to:

Defense Attorney: Martin Neils

Defendant

Probation & Parole: _____

Prosecuting Attorney: Vernaren

Health and Welfare

Other: _____

☒ In Court ☐ Interoffice ☐ Faxed _____

☒ In Court ☐ Interoffice ☐ Mailed – address above

☐ In Court ☐ Interoffice ☒ Faxed (208) 769-1481 5/14/10gc

☒ In Court ☐ Interoffice ☐ Faxed (208) 446-1833

☐ Mailed ☐ Interoffice ☐ Faxed (208) 769-1430

☐ In Court ☐ Interoffice ☐ Mailed ☐ Faxed _____

CLERK OF THE DISTRICT COURT

BY: Deane Clouse

Deputy

250

ORIGINAL

BARRY McHUGH
Prosecuting Attorney
501 Government Way/Box 9000
Coeur d'Alene, ID 83816-9000
Telephone: (208) 446-1800
Facsimile: (208) 446-1833

ASSIGNED ATTORNEY
ARTHUR VERHAREN

STATE OF IDAHO
COUNTY OF KOOTENAI
FILED

2018 JUN -4 PM 3:41

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)	
)	CASE NO. CR-F08-26363
Plaintiff,)	
)	
vs.)	MOTION FOR RESTITUTION
)	
JERRY A. HILL,)	
)	
Defendant.)	
)	

COMES NOW, ARTHUR VERHAREN, Deputy Prosecuting Attorney for Kootenai
County, Idaho, and hereby moves the Court to award restitution to the following two individuals
in the following amounts:

Brad Jordan	\$177,031.19
2994 E Nettleton Gulch Road	
Coeur d'Alene, Idaho 83814	

Patrick Hall	\$177,031.19
22855 E Country Vista Drive #453	
Liberty Lake, Washington 99019	

The state requests that said amount(s) to be paid to the Kootenai County Clerk, 324 West

Garden, Coeur d'Alene, ID 83814 in the form of cash, certified check or money order:

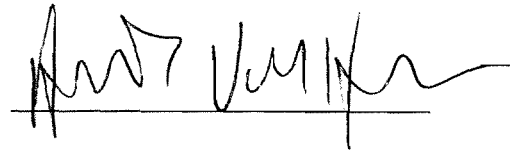
In support of said Motion, the state requests that the Court take judicial notice of what was marked and admitted at trial in this matter as Plaintiff's Exhibit No. 12., an itemized list summarizing the specific amount of money taken by the Defendant.

DATED this 4 day of June, 2010.


ARTHUR VERHAREN
Deputy Prosecuting Attorney

CERTIFICATE OF MAILING

I hereby certify that on the 4 day of June, 2010, a true and correct copy of the foregoing was hand delivered to:
PUBLIC DEFENDERS OFFICE
FAXED



PLAINTIFF'S

EXHIBIT NO. 12

IDENTIFICATION/EVIDENCE

CASE NO. _____

DATE: _____

GMAC Realty Northwest
Schedule of Shareholder Loans - Jerry Hill
12/31/2006

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
12/31/2002		Opening Balance			1,500.00	1,500.00
01/01/2003	30098	loan	WTB-Genl Ckg Acct #9911: Shareholder Loans			
02/03/2003	30172	Loan	WTB-Genl Ckg Acct #9911: Shareholder Loans		300.00	1,800.00
03/12/2003	30467	shareholder loan	WTB-Genl Ckg Acct #9911: Shareholder Loans		1,000.00	2,800.00
04/11/2003	1046	repay portion of \$37,500	IIB-Ckg 38447	Jerry (His share of investment)	2,100.00	4,900.00
04/12/2003	1096	Hills personal groceries	IIB-Ckg 38447	Jerry (His share of investment)	664.85	5,564.85
04/30/2003	31252	cleared 5/2/03	IIB-Ckg 38447	Disbursements	1,200.00	6,764.85
05/05/2003	31298	cleared 5/6/03	IIB-Ckg 38447	Disbursements	2,500.00	9,264.85
05/12/2003	31350	CLEARED 5/13/03	IIB-Ckg 38447	Disbursements	2,500.00	11,764.85
09/19/2003	32702	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,500.00	13,264.85
09/25/2003	32727	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,000.00	14,264.85
11/03/2003	33165		IIB-Ckg 38447	Disburse-Hill	3,000.00	17,264.85
12/02/2003	33445		IIB-Ckg 38447	Disburse-Hill	3,000.00	20,264.85
12/18/2003	33537	Jerry Hill	IIB-Ckg 38447	Disbursements	2,500.00	22,764.85
12/31/2003		Per Magnuson McHugh something to do with Investment in NW Partners			19,000.00	41,764.85
		Total 2003 Jerry Hill Shareholder activity			40,264.85	
12/23/2004	Deposit	Christmas Auction	IIB-Ckg 38447	Hill, Jerry	(1,500.00)	40,264.85
01/02/2004	33660	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	1,000.00	41,264.85
02/26/2004	34137	Advance	IIB-Ckg 38447	Hill, Jerry	2,500.00	43,764.85
03/12/2004	34264	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	630.00	44,394.85
04/23/2004	34709	Lowes	IIB-Ckg 38447	Hill, Jerry	630.00	45,024.85
05/26/2004	34910	ADVANCE	IIB-Ckg 38447	Hill, Jerry	1,200.00	46,224.85
09/10/2004	35822	hdepol	IIB-Ckg 38447	Hill, Jerry	400.00	46,624.85
12/30/2004	37202	Disbursement	IIB-Ckg 38447	Disburse-Hill	4,000.00	50,624.85
12/31/2004		Eagle Point Personal Credit Card Charges			210.93	50,835.78
		Total 2004 Jerry Hill Shareholder activity			9,070.93	
01/01/2005		Reclassify 12/31/04 Check #37202			(4,000.00)	46,835.78
01/13/2005	37328		IIB-Ckg 38447	Hill, Jerry	1,200.00	48,035.78
01/14/2005	7424	Payment for American Express	IIB-Ckg 38447	Hill, Jerry	3,119.57	51,155.45
01/14/2005		Deposit Pmt for American Express	IIB-Ckg 38447	Hill, Jerry	(1,619.67)	49,535.78
01/25/2005	7425	Deposit	IIB-Ckg 38447	Hill, Jerry	(27,000.00)	22,535.78
02/28/2005	Credit card	Personal American Express	IIB-Ckg 38447	Hill, Jerry	630.80	23,166.58
03/02/2005	36533	Lowes PFS Office	IIB-Ckg 38447	Hill, Jerry	630.00	23,796.58
03/04/2005	777EP	PURCHASE OF 119 W CLAYTON AVE	119 W CLAYTON	Hill, Jerry	(33,572.85)	(9,776.27)
03/07/2005	7432	Deposit Shareholder Receivable	IIB-Ckg 38447	Hill, Jerry	(6,000.00)	(15,776.27)
03/10/2005	37848	Linda Browning Interest for Jerry	IIB-Ckg 38447	Hill, Jerry	437.50	(15,338.77)
03/11/2005	37836		IIB-Ckg 38447	Hill, Jerry	7,000.00	(8,338.77)
03/14/2005	7218	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(26,000.00)	(34,338.77)
03/17/2005	37857		IIB-Ckg 38447	Hill, Jerry	26,000.00	(8,338.77)
03/21/2005	37910		IIB-Ckg 38447	Hill, Jerry	1,800.00	(6,538.77)
03/21/2005	7219	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(32,500.00)	(39,038.77)
03/22/2005	37935		IIB-Ckg 38447	Hill, Jerry	32,500.00	(6,538.77)
03/24/2005	37930		IIB-Ckg 38447	Hill, Jerry	700.00	(5,838.77)
03/28/2005	37953		IIB-Ckg 38447	Hill, Jerry	1,000.00	(4,838.77)
03/29/2005	38009		IIB-Ckg 38447	Hill, Jerry	26,000.00	21,161.23
03/31/2005	7540	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(40,000.00)	(18,838.77)
03/31/2005		Eagle Point Personal Credit Card Charges			95.96	(18,742.81)
04/04/2005	38047		IIB-Ckg 38447	Hill, Jerry	17,561.00	(1,181.81)
04/04/2005	38048		IIB-Ckg 38447	Hill, Jerry	22,439.00	21,257.19
04/14/2005	38138		IIB-Ckg 38447	Hill, Jerry	1,100.00	22,357.19
04/19/2005	38172	Parker Toyota Jerry's Car	IIB-Ckg 38447	Hill, Jerry	22,336.79	44,693.98
04/19/2005	7428	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(22,336.79)	22,357.19
04/22/2005	38211	Steel Structures Clayton Prop. Deposit	IIB-Ckg 38447	Hill, Jerry	3,500.00	25,857.19
04/22/2005	38212	Advance	IIB-Ckg 38447	Hill, Jerry	24,500.00	50,357.19
04/22/2005	7561	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(28,000.00)	22,357.19
04/25/2005	38240	Commission	IIB-Ckg 38447	Hill, Jerry	(17,400.00)	39,757.19
04/25/2005	7563	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	17,400.00	22,357.19
04/26/2005		American Express Outbak	Payables Heading Only	Hill, Jerry	157.31	22,514.50
04/28/2005	38265	Advance	IIB-Ckg 38447	Hill, Jerry	19,000.00	41,514.50
04/28/2005	no ck	Deposit 5-0320 Eberle/Hill Commission	IIB-Ckg 38447	Hill, Jerry	(50,000.00)	(8,485.50)
04/29/2005	38284	Advance on Deermidge	IIB-Ckg 38447	Hill, Jerry	19,000.00	10,514.50
04/30/2005		Advanta	Advanta	Hill, Jerry	852.52	11,367.02
05/10/2005	38427	Countrywide Home Loan	IIB-Ckg 38447	Hill, Jerry	1,158.44	12,525.46
05/25/2005	38590	trade	IIB-Ckg 38447	Hill, Jerry	500.00	13,025.46
05/25/2005		Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(450.00)	12,575.46
06/02/2005	38707		IIB-Ckg 38447	Hill, Jerry	2,814.59	15,390.05
06/02/2005	38708	Closing Costs 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	7,729.61	23,119.66
06/27/2005	38976	Per Jerry this should be 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	1,000.00	24,119.66
06/29/2005	38936	Charles or Connie Eberle	IIB-Ckg 38447	Hill, Jerry	2,500.00	26,619.66
06/30/2005	5394	Deposit Payback of EM-4229 Mullan	IIB-Ckg 38447	Hill, Jerry	(1,000.00)	25,619.66
07/03/2005	39019		IIB-Ckg 38447	Hill, Jerry	2,814.59	28,434.25
07/14/2005	38865	Linda Browning - Misc Supplies	IIB-Ckg 38447	Hill, Jerry	100.00	28,534.25
07/18/2005	39167	Local Moving Storage	IIB-Ckg 38447	Hill, Jerry	675.00	29,209.25
07/21/2005	39269		IIB-Ckg 38447	Hill, Jerry	2,814.59	32,023.84
08/05/2005	7649	Deposit	IIB-Ckg 38447	Hill, Jerry	(22,000.00)	10,023.84
08/05/2005	7648	Deposit	IIB-Ckg 38447	Hill, Jerry	(15,000.00)	(14,976.16)

08/08/2005	39440		IIB-Ckg 38447	Hill, Jerry	9,000.00	4,023.84
08/09/2005	39477		IIB-Ckg 38447	Hill, Jerry	16,000.00	20,023.84
08/10/2005	39454		IIB-Ckg 38447	Hill, Jerry	12,000.00	32,023.84
08/12/2005	39422	Linda Browning		Hill, Jerry	2,000.00	34,023.84
08/15/2005	7656	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(15,000.00)	19,023.84
08/16/2005	7657	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(9,200.00)	9,823.84
08/17/2005	39552	American Express	IIB-Ckg 38447	Hill, Jerry	9,711.85	19,535.69
08/17/2005	39556		IIB-Ckg 38447	Hill, Jerry	9,200.00	28,735.69
08/18/2005	7658	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(20,000.00)	8,735.69
08/18/2005	39547	2nd Payment	IIB-Ckg 38447	Hill, Jerry	7,050.00	15,785.69
08/18/2005	39548	1st Payment	IIB-Ckg 38447	Hill, Jerry	7,950.00	23,735.69
08/19/2005	7659	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(2,000.00)	21,735.69
08/22/2005	7502	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(30,000.00)	(8,264.31)
08/22/2005	39568		IIB-Ckg 38447	Hill, Jerry	13,689.25	5,424.94
08/22/2005	39569		IIB-Ckg 38447	Hill, Jerry	6,810.75	12,235.69
08/23/2005	39584		IIB-Ckg 38447	Hill, Jerry	2,814.59	15,050.28
08/23/2005	39589		IIB-Ckg 38447	Hill, Jerry	17,350.00	32,400.28
08/23/2005	39590		IIB-Ckg 38447	Hill, Jerry	12,650.00	45,050.28
08/24/2005	39580		IIB-Ckg 38447	Hill, Jerry	2,000.00	47,050.28
08/24/2005	39620	for Lincolnway equipment	IIB-Ckg 38447	Hill, Jerry	3,500.00	50,550.28
08/26/2005	39635	Past commissions due	IIB-Ckg 38447	Hill, Jerry	65,361.51	115,911.79
08/31/2005	39629	IIB - Maverick Property	IIB-Ckg 38447	Hill, Jerry	57,808.12	173,719.91
10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	175,932.84
10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.00	178,367.84
11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	180,580.77
11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	1,830.00	182,410.77
12/01/2005		Misc Charges - Coded to Expense in 05, but still in A/R at 12/31/06		Coded to A/R Z-Jerry Hill	1,000.00	183,410.77
12/28/2005		Wife's Purchase on Credit Card Coded to Expense in 05, but still in A/R at 12/31/06		Coded to A/R Z-Jerry Hill	180.58	183,591.35
12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	185,804.28
12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.42	188,239.70
12/30/2005		Best Buy & Wood Furniture - Coded to Expense in 05 but still in A/R at 12/31/06		Coded to A/R Z-Jerry Hill	3,787.60	192,027.30
12/31/2005	1161EP	Taxes Filed Per CPA	Suspense Funds	Hill, Jerry	9,720.25	201,747.55
12/31/2005	1163 EP	Journal Entry Per CPA	12th Ave Post Falls	Hill, Jerry	(1,000.00)	200,747.55
12/31/2005	1164EP	To accrue interest per CPA at 3.11%	Interest Income	Hill, Jerry	2,798.53	203,546.08
		Total 2005 Jerry Hill Shareholder activity			152,710.30	

01/01/2006		Jerry's share of interest owed to Linda for '05		Maverick Expenses	2,939.09	206,485.17
01/01/2006		05 Water Bill Maverick		Maverick Expenses	12.69	206,497.86
01/01/2006		05 Cleaning and Ed Yacono fees		Maverick Expenses	711.26	207,209.12
01/01/2006		Hodges Home for Maverick paint		Maverick Expenses	1,100.00	208,309.12
01/01/2006		Plumbing for Maverick paid in 05		Maverick Expenses	1,000.00	209,309.12
01/01/2006		Carpet One paid in 05 for Maverick		Maverick Expenses	307.44	209,616.56
01/01/2006		Dishwasher/installation/flooring Maverick		Maverick Expenses	4,581.97	214,198.53
01/01/2006	39214	Closing Costs Maverick		Real Estate Investments	15,300.00	229,498.53
01/01/2006		Electrical for Maverick		Maverick Expenses	200.00	229,698.53
01/13/2006		Delay Closing Funds deposited in GMAC account			(218,500.00)	11,198.53
01/29/2006		Personal Charges to Credit Card	Coded to A/R Z-Jerry Hill		207.70	11,406.23
01/30/2006		Cleaning Maverick		Maverick Expenses	82.50	11,488.73
02/01/2006		Unknown	Coded to A/R Z-Jerry Hill		1,792.31	13,281.04
02/07/2006	7713	Repayment	IIB-Ckg 38447	Owner's Capital Investment	(5,000.00)	8,281.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Draws Jerry Hill	5,000.00	13,281.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,213.00	15,494.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Mullan Loan	1,830.00	17,324.04
02/14/2006	40993	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,292.35	22,616.39
02/21/2006	41030		IIB-Ckg 38447	Hill, Jerry	1,000.00	23,616.39
02/27/2006	41086	COMMISSION ADVANCE	IIB-Ckg 38447	Hill, Jerry	500.00	24,116.39
02/28/2006		Maverick Legal and Affidavit Fee		Maverick Expenses	118.32	24,234.71
03/07/2006		Disputing Expense	Coded to A/R Z-Jerry Hill		491.08	24,725.79
03/07/2006		Select Comfort	Coded to A/R Z-Jerry Hill		4,514.98	29,240.77
03/09/2006	7715	Loan to Company	IIB-Ckg 38447	Owner's Capital Investment	(12,000.00)	17,240.77
03/13/2006	41268	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,066.67	22,307.44
03/13/2006	41217	LOAN REPAYMENT	IIB-Ckg 38447	Hill, Jerry	12,000.00	34,307.44
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	39,059.51
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	41,272.44
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.00	43,707.44
03/17/2006		Spokane Chiefs	Coded to A/R Z-Jerry Hill		500.00	44,207.44
03/19/2006	41273	ADVANCE	IIB-Ckg 38447	Hill, Jerry	20,000.00	64,207.44
03/27/2006		Mountain Comfort	Coded to A/R Z-Jerry Hill		3,030.30	67,237.74
04/05/2006	41395	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,573.34	72,811.08
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	77,563.15
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	79,776.08
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.00	82,211.08
05/05/2006	41626	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,066.67	87,277.75
05/09/2006	41648	Cordova Construction Draw on Lakehome "replacem	IIB-Ckg 38447	A/Rec	10,000.00	97,277.75
05/09/2006	7758	Replace Ck #41648	IIB-Ckg 38447	Z-Hill, Jerry A/R	(10,000.00)	87,277.75
05/17/2006		LA Weight Loss	Coded to A/R Z-Jerry Hill		1,104.80	88,382.55
06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	90,595.48
06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.00	93,030.48
06/16/2006	41917	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,066.67	98,097.15
07/03/2006	42033	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,066.67	103,163.82
7/4/2006		Spa Highlands	Coded to A/R Z-Jerry Hill		120.00	103,283.82
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	2,752.07	106,035.89
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	108,248.82
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,435.00	110,683.82
07/07/2006	41951	Linda's Payment	IIB-Ckg 38447	Hill, Jerry Mullan Loan	600.00	111,283.82
07/11/2006		Eagle Point Books - Maddox, D 7376 N Davenport			350.00	111,633.82

08/04/2006	42242	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,573.34	117,207.15
08/15/2006	42220	PARTIAL AUG PAYMENTS	IIB-Ckg 38447	MAVERICK LOAN	1,200.00	118,407.16
09/01/2006		Invoice	Coded to A/R Z-Jerry Hill		88.90	118,496.06
09/04/2006		Costco	Coded to A/R Z-Jerry Hill		585.05	119,081.11
09/08/2006	42459	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,066.67	124,147.78
09/14/2006	42470	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	10,000.00	134,147.78
09/14/2006	42470	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	10,000.00	144,147.78
09/15/2006		NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	20,000.00	164,147.78
09/15/2006	42502	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,000.00	166,147.78
09/15/2006	42502	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,000.00	168,147.78
09/19/2006	7853	Credit Memo	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	148,147.78
09/19/2006		Credit Memo	IIB-Ckg 38447	Hill, Jerry	(20,000.00)	128,147.78
09/19/2006	7855	Replace returned Checks	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	108,147.78
09/20/2006	42510	REPLACE CHECK	IIB-Ckg 38447	Hill, Jerry	12,500.00	120,647.78
09/20/2006	42511	REPLACE CHECK	IIB-Ckg 38447	Hill, Jerry	7,500.00	128,147.78
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	20,000.00	148,147.78
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	13,500.00	161,647.78
09/25/2006	7857	Transfer of Money	IIB-Ckg 38447	Hill, Jerry	(18,500.00)	143,147.78
09/29/2006	LATE FEE	Late Fees for No Statement	IIB-Ckg 38447	Hill, Jerry	149.47	143,297.25
10/02/2006		American Express Never received statement	Coded to A/R Z-Jerry Hill		5,633.92	148,931.17
10/03/2006	7880	Loan payment	IIB-Ckg 38447	owners capital	(15,000.00)	133,931.17
10/16/2006		GMAC/Crimson buys Mullan From Jerry			(200,000.00)	(66,068.83)
10/16/2006		GMAC/Crimson takes over Delay Note from Jerry			320,000.00	253,931.17
10/16/2006		Proceeds from Anderson Note used for Hill/Browning Closing			65,638.93	319,570.10
11/03/2006	42736	Vending over reimbursement	IIB-Ckg 38447	Hill, Jerry	10.42	319,580.52
11/03/2006	42736		IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,360.56	321,941.08
11/03/2006	42736		IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,221.92	324,163.00
11/15/2006		Jerry's Share of Interest paid to Linda			440.07	324,603.07
12/13/2006	43023		IIB-Ckg 38447	Hill, Jerry	7,490.00	332,093.07
12/15/2006		Jerry's Share of Interest paid to Linda			440.07	332,533.14
12/31/2006		Interest Added @ 15%			21,529.24	354,062.38
		Total 2006 Jerry Hill Shareholder activity			150,516.30	

Court Minutes:

Session: MITCHELL072710P
Session Date: 07/27/2010
Judge: Mitchell, John
Reporter: Foland, Julie

Division: DIST
Session Time: 14:31

Courtroom: Courtroom7

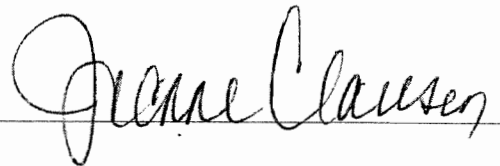
Clerk(s): Clausen, Jeanne

State Attorney(s):
Gardner, Donna
Verharen, Art

Public Defender(s): Neils, Martin

Prob. Officer(s):

Court interpreter(s):



Case ID: 0002

Case number: CR2008-26363
Plaintiff:
Plaintiff Attorney:
Defendant: CR2008-26363
Pers. Attorney:
Co-Defendant(s):
State Attorney: Verharen, Art
Public Defender: Neils, Martin

07/27/2010

16:04:51

Recording Started:

16:04:51

Case called

16:05:30

Judge: Mitchell, John
Calls case

5:05:35 **Public Defender:**
motion to continue

16:05:39 **State Attorney:**
no objection by the state

16:05:47 **Public Defender: Neils, Martin**

16:06:06 **Defendant: CR2008-26363**
Have read the report

16:06:12 **Public Defender: Neils, Martin**
Reviews the corrections to PSI

16:06:18 **State Attorney: Verharen, Art**

16:07:18 **Public Defender: Neils, Martin**
may consume a drink of alcohol every 6 months

16:07:51 **Defendant: CR2008-26363**
agrees

16:07:58 **Judge: Mitchell, John**
Had this scheduled for an hour

16:08:09 **State Attorney: Verharen, Art**
Believe I layed out sufficient evidence to have
restitution awarded in this

16:08:35 case

16:08:43 **Public Defender: Neils, Martin**

16:10:50 **General:**
Time stamp

16:10:51 **Judge: Mitchell, John**
set for 8/24/10 at 10:30am for restitution and
sentencing

16:11:22 **Stop recording**
(On Recess)

ORIGINAL

BARRY McHUGH
Prosecuting Attorney
501 Government Way/Box 9000
Coeur d'Alene, ID 83816-1971
Telephone: (208) 446-1800

ASSIGNED ATTORNEY
ARTHUR VERHAREN

STATE OF IDAHO
COUNTY OF KOOTENAI
FILED: >SS

2010 AUG 13 AM 10:34

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)	Case No. CR-F08-26363
)	
)	
Plaintiff,)	PLAINTIFF'S ADDITIONAL
)	SENTENCING MATERIALS
vs.)	
)	
JERRY A. HILL,)	
Defendant.)	
_____)	

The State, by and through Arthur Verharen, Deputy Prosecuting Attorney, hereby submits the following materials for the Court's consideration in sentencing herein:

1. Copy of letter from Patrick Hall.

DATED this 10 day of August, 2010.

BARRY McHUGH
PROSECUTING ATTORNEY


ARTHUR VERHAREN
Deputy Prosecuting Attorney

PLAINTIFF'S ADDITIONAL
SENTENCING MATERIALS:

PAGE 1

CERTIFICATE OF MAILING

I hereby certify that on the 10 day of August, 2010, a true and correct copy of the foregoing was caused to be mailed or sent interoffice mail as follows:

PUBLIC DEFENDERS OFFICE

I.O.M.

A handwritten signature in black ink, appearing to read "J. D. Vargha", is written over a horizontal line.

PLAINTIFF'S ADDITIONAL
SENTENCING MATERIALS:

PAGE 2

Judge John Mitchell
Kootenai County District Court
P.O. Box 9000
Coeur d' Alene, Idaho 83816-9000

Re: Jerry A. Hill Case # 08-26363

Dear Judge Mitchell,

My name is Patrick Hall. I am one of the victims in the above mentioned case. I would first like to thank the court for bringing these crimes to it's rightful conclusion and finding Jerry A. Hill guilty as charged. Jerry A. Hill is a very calculating and deceitful individual. Jerry has hurt many people in the past few years with his criminal actions. Jerry is incapable of the telling the truth. He believes his own lies. That is why the courts had to decide his fait. He had the opportunity to admit to his criminal actions. He believes his own lies.

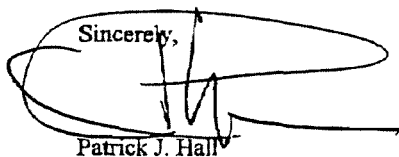
I am not a vengeful person. I would like to see justice served. I would like to see that Jerry Hill is never able to be put in a position of trust. He has shown that he cannot be trusted with anyone else's money. He likes to gamble with other peoples lives and their money. Basically he is a common con artist. The sad reality is he enjoys destroying other peoples lives. As he once said "he enjoys setting people up".

First, I would like to see Jerry Hill pay restitution for the total amount of money stolen from the corporation. I think some sort of community service would also be appropriate. Jerry A. Hill needs to spend time in a state correctional facility. That would give him time to think about his actions and what damage it has caused his family and the people close to him who believed and trusted in him. I'm not sure that serving time will change Jerry. Unfortunately, I believe Jerry Hill is a pathological liar. He just believes his own lies. He is incapable of change or knowing the truth. He has a tendency to abuse and hurt everyone he comes into contact with. He just enjoys abusing people. I have come to the conclusion that Jerry Hill doesn't like himself, so how can he like anyone else.

I can honestly say that I am sorry that I ever met Jerry A. Hill. He has personally and financially tried to ruin and make my life miserable. He has also failed in doing that. He is a complete failure. He has lost everything and everyone around him by his criminal actions. It's just sad to see someone throw his life away when given the opportunities he was given. I hope that Jerry A. Hill will be given plenty of jail time to reflect on the errors of his ways.

I will be glad to see the conclusion of this criminal matter. It's been a long and sad journey. Jerry A. Hill has impacted a lot of lives in a very negative way. I can only hope that those people that still believed and have trust in Jerry now know the honest truth. He is a criminal. It's just plain and simple.

Thank you Judge Mitchell for giving me the opportunity to express my feelings. I know the courts will do the right thing in the sentencing phase of this case.

Sincerely,

Patrick J. Hall

BARRY McHUGH
 Prosecuting Attorney
 501 Government Way/Box 9000
 Coeur d'Alene, ID 83816-1971
 Telephone: (208) 446-1800

ASSIGNED ATTORNEY
 ARTHUR VERHAREN

STATE OF IDAHO
 COUNTY OF KOOTENAI
 FILED: 8/19/10
 AT 5:09 O'CLOCK P.M.
 CLERK, DISTRICT COURT
 DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
 STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)	Case No. CR-F08-26363
)	
)	
Plaintiff,)	PLAINTIFF'S ADDITIONAL
)	SENTENCING MATERIALS
vs.)	
)	
JERRY A. HILL,)	
Defendant.)	

The State, by and through Arthur Verharen, Deputy Prosecuting Attorney, hereby submits the following materials for the Court's consideration in sentencing herein:

1. Copy of letter from Brad Jordan.

DATED this 19 day of August, 2010.

BARRY McHUGH
 PROSECUTING ATTORNEY


 ARTHUR VERHAREN
 Deputy Prosecuting Attorney

PLAINTIFF'S ADDITIONAL
 SENTENCING MATERIALS:

PAGE 1

261

CERTIFICATE OF MAILING

I hereby certify that on the 19 day of August, 2010, a true and correct copy of the foregoing was caused to be mailed or sent interoffice mail as follows:
PUBLIC DEFENDERS OFFICE
I.O.M.

W. J. Vaniman

August 16, 2010

Honorable Judge John Mitchell

RE: Jerry A Hill

Sentencing/Restitution Hearing Case # F08-26363

I first met Jerry Hill in about 1990. He had recently obtained a real estate license and I hired him to work at the firm that my father and I then owned.

In 1997, I had gotten to know Jerry fairly well and let him buy into the real estate company. The company grew over the next several years and in 2002 we became partners with Patrick Hall. We grew the company into one of the largest real estate firms in the area.

As the company continued to grow, I noticed that Jerry began to exhibit what I now know was a narcissistic personality. I unfortunately didn't perceive this at the time, nor danger it presented to the company. Patrick and I trusted Jerry. He is a very likeable person. I, along with a number of others, learned too late about the real Jerry Hill. The Jerry I thought I knew was a façade. He is one of the best that I have ever seen with his ability to charm and manipulate people for his own purposes.

By 2006, Patrick and I had become more and more concerned about Jerry's ego, and the ways he tried to influence the agents and employees in order to try and control the company. He also seemed to live a lifestyle in excess of what our compensation from the company provided. We became suspicious that he was misappropriating money from the company for his own personal use when some inappropriate company credit card charges came to light.

After further investigation, we found out that Jerry had engaged in an elaborate scheme of rewarding or intimidating certain employees to gain favor or to discourage them from talking to each other, or Patrick and I in order to cover up his actions. We met privately with Jerry and showed him what we had uncovered and told him we were ordering an audit of the company. Jerry told us we couldn't prove anything and he would turn the people in the office against us since he had bonded with them better than us and he could destroy the office if we attempted to do anything to him.

Patrick and I subsequently terminated Jerry and then used our personal savings to try and save the company. At the same time, Jerry was trying to undermine it. Patrick and I were ultimately unsuccessful, and were left financially devastated. Both of our families have suffered greatly. I was forced to file a bankruptcy. The last 3 years have been extremely difficult for us.

Jerry's actions not only hurt us but others as well. He convinced one of the secretaries to loan him her \$50,000 divorce settlement. She will never see that money again.

I don't believe that Jerry feels any responsibility or remorse for what he did but that is just how his personality is. His actions warrant incarceration. He needs to be held accountable for once in his life so he doesn't do this to someone else and he should be made to pay the money back.

Respectfully,

R. Brad Jordan

Court Minutes:

Session: MITCHELL082410A
Session Date: 08/24/2010
Judge: Mitchell, John
Reporter: Foland, Julie

Division: DIST
Session Time: 08:49

Courtroom: Courtroom8

Clerk(s): Clausen, Jeanne

State Attorney(s): Verharen, Art

Public Defender(s): Neils, Martin

Prob. Officer(s):

Court interpreter(s):



Case ID: 0001

Case number: CR2008-26363
Plaintiff:
Plaintiff Attorney:
Defendant: Hill, Jerry
Pers. Attorney:
Co-Defendant(s):
State Attorney: Verharen, Art
Public Defender: Neils, Martin

08/24/2010

10:47:23

Recording Started:

10:47:23

Case called

10:47:27

Judge: Mitchell, John
Calls case - deft present and represented by Mr.
Neils; Mr. Verharen for the
state

10:47:42

10:47:43

State Attorney: Verharen, Art
Ready to proceed

10:47:58 **Public Defender: Neils, Martin**
 Rec'd letter forward from your office that my
 client would like a new atty;
 10:48:22 Mr. Hill has complained that the accountant
 wasn't hired for this hearing and
 10:48:36 for trial; difficult in contacting me as far as
 retaining that accountant;
 10:48:53 fairly complex financial proceedings; court
 simply decides whether someone is
 10:49:18 intialed to a public defender; some basis for
 the complaint in the letter to
 10:49:48 you

 10:49:55 **Judge: Mitchell, John**
 This matter needs to be continued with you
 remaining attorney or moving for
 10:50:15 a continuance with you no longer atty

 10:50:30 **Public Defender: Neils, Martin**
 I would have a lengthy sit down meeting with Mr.
 Hill and if relationship can
 10:50:47 be fixed than I would remain the assigned atty;
 if I remain atty than an
 10:51:06 accountant would be hired to look into the
 records; that accountant has been
 10:51:32 on vacation and out of town; this accountant
 would be familiar with this
 10:51:50 case; I don't know if I would remain the
 assigned atty

 10:52:12 **State Attorney: Verharen, Art**
 Mr. Neils is very familiar with this case - has
 been working on this for
 10:52:25 years; no reason to have an accountant at this
 time; if deft isn't happy with
 10:52:38 Mr. Neils than it would be up to Public
 Defender's office to provide one - if
 10:53:00 no reason to delay sentencing

 10:53:14 **Judge: Mitchell, John**
 troubles me that I rec'd this letter when it was
 filed on 8/18/10 - this
 10:53:32 sentencing has been scheduled for 7/27/10 and
 than there was a motion to
 10:54:14 continue made by you Mr. Hill and than it was
 moved to this date; doesn't

10:54:27 seem like anything in this letter address
anything that would have come up
10:54:55 between verdict and 7/27/10; orders you Mr. Hill
to go to PD office and meet
10:55:24 non stop until these issues are address; Mr.
Adams is to be part of this
10:55:54 discussion; this decision will be made by the
end of today; I don't manage
10:56:15 what experts are employed or not; you are left
with his decision; who is this
10:56:36 accountant

10:56:41 **Public Defender: Neils, Martin**
I don't have his name

10:56:50 **Defendant: Hill, Jerry**
It has been 3 yrs ago

10:56:56 **Judge: Mitchell, John**
when is this acountant going to be back from
vacation; order that the
10:57:33 identity of person be decided as of today; there
will be no further
10:58:27 continuances; set for 9/28/10 at 10am for 1.5
hours

11:00:14 **Stop recording**

Martin Neils, Deputy Public Defender
Office of the Kootenai County Public Defender
PO Box 9000
Coeur d'Alene, Idaho 83816
Phone: (208) 446-1700; Fax: (208) 446-1701
Bar Number: 4044

STATE OF IDAHO } SS
COUNTY OF KOOTENAI
FILED: 9-27-10
AT 1:59 O'CLOCK P.
CLERK, DISTRICT COURT
DEPUT

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)

Plaintiff,)

V.)

JERRY A. HILL,)

Defendant.)

CASE NUMBER CR-08-0026363
Fel

MOTION TO CONTINUE HEARING

COMES NOW, the above named defendant, by and through his attorney, Martin Neils, Deputy Public Defender, and hereby moves the Court for an Order continuing the Sentencing and Restitution hearings presently set for September 28, 2010:

This motion is made on the grounds that defendant requires expert accounting testimony regarding both the sentencing and restitution issues. Defendant's attorney contacted Tom Baker regarding reviewing the financial records. Tom Baker had originally reviewed some of the documentary evidence at the commencement of the case. Counsel was informed that a further review of the records could not take place any sooner than late October 2010. Defendant has also discussed review of the records with Suzanne Metzger. She advised that she could complete the review by mid November, 2010.

DATED this 28 day of September, 2010.

MOTION TO CONTINUE HEARING

Page 1

OFFICE OF THE KOOTENAI
COUNTY PUBLIC DEFENDER

BY: 
MARTIN NEILS
DEPUTY PUBLIC DEFENDER

CERTIFICATE OF DELIVERY

I hereby certify that a true and correct copy of the foregoing was personally served by placing a copy of the same as indicated below on the 21 day of September, 2010, addressed to:

Kootenai County Prosecutor FAX 446-1833

 / Via Fax

 Interoffice Mail

Judge Mitchell (courtesy copy) via fax

Jamie G Woods

Court Minutes:

Session: MITCHELL092810A
Session Date: 09/28/2010
Judge: Mitchell, John
Reporter: Foland, Julie

Division: DIST
Session Time: 09:00

Courtroom: Courtroom8

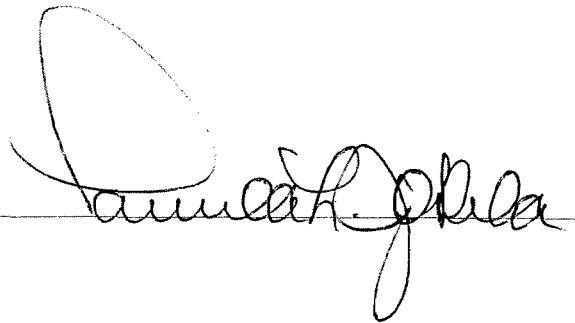
Clerk(s): Jokela, Pam

State Attorney(s): Verharen, Art

Public Defender(s):
Neils, Martin
Walsh, Sean

Prob. Officer(s):

Court interpreter(s):



Case ID: 0003

Case number: CR2008-26363

Plaintiff:

Plaintiff Attorney:

Defendant: HILL, JERRY A

Pers. Attorney:

Co-Defendant(s):

State Attorney: Verharen, Art

Public Defender: Neils, Martin

Additional audio and annotations can be found in case: 0005.

09/28/2010

10:06:23

Recording Started:

10:06:23

Case called

10:06:31

Judge: Mitchell, John
CALLS CASE

10:06:34

Add Ins: SENTENCING

10:06:35 **Add Ins: RESTITUTION**

10:06:36 **Defendant: HILL, JERRY A**
PRESENT AND NOT IN CUSTODY

10:06:44 **Public Defender: Neils, Martin**

10:06:48 **State Attorney: Verharen, Art**

10:07:34 **Judge: Mitchell, John**
THERE IS A MOTION IN THE FILE FOR CONTINUANCE -
FILED YESTERDAY AFTERNOON

10:07:56 **Public Defender: Neils, Martin**
I DID CONTACT THE STATE - THE STATE WILL BE
OBJECTING - LAST HEARING WAS

10:08:12 CONTINUED TO OBTAIN ACCOUNTANT - I LEFT A
MESSAGES FOR THE ACCOUNTANT - I WAS

10:08:39 ABLE TO FIND OUT THAT HE WAS NOT ABLE TO
COMPLETE THE REVIEW OF THE

10:08:52 ACCOUNTING RECORD UNTIL LATER IN OCTOBER - I DID
TALK TO MR PALMER - WHO

10:09:07 RECOMMENDED ANOTHER ACCOUNTANT - I SPOKE WITH
HER - SHE BELIEVED THAT SHE

10:09:21 WOULD NEED 6 WEEKS FROM TODAY'S DATE - IT IS
IMPORTANT AS TO THE RESTITUTION

10:09:35 AND FOR THE SENTENCING - RECOMMENDATION OF THE
PSI AND TONE - THAT MY CLIENTS

10:09:50 ACTION DEMISED THE CORPORATION - ONCE ACCOUNTING
IS COMPLETE AND THE JURY

10:10:06 VERDICT OF MY CLIENTS GUILT - THAT MY CLIENTS
ACTION - WAS MINOR TO THE

10:10:22 DETRIMENT OF THE DEMISE OF THE CORPORATION - IT
COULD ALSO BE A FACTOR IN THE

10:10:39 COURTS THINKING - THE FACTOR OF HIS ACTIONS ON
THE COMMUNITY

10:10:55 **State Attorney: Verharen, Art**
WE ARE OPPOSED TO THE CONTINUANCE - THE
SENTENCING HAS BEEN CONTINUED TWICE

10:11:08 BEFORE - CRIMINAL ACTION WAS YEARS AGO -

10:11:35 PRELIMINARY HEARING WAS CONTINUED 4
 TIMES - THIS IS ANOTHER DELAY TAC TIC - AN
 10:11:55 ACCOUNTANT IS NOT GOING TO DO ANY
 GOOD AS TO THE CREDIT CARD - HE STOLE MONEY
 USING THE CREDIT CARD - AN
 10:12:13 ACCOUNTANT CANNOT CHANGE THAT EVIDENCE - HE WAS
 CONVICTED OF ALL THREE COUNTS
 10:12:28 - HE WOULD HAVE DONE THAT EARLY ON GOTTEN AN
 ACCOUNTANT - AN EXPERT IS NOT
 10:12:54 GOING TO CHANGE THESE NUMBERS -

 10:12:59 **Public Defender: Neils, Martin**
 I WOULD NOT DISAGREE WITH THE LOGIC OF THE STATE
 - THIS MATTER WAS BOUND
 10:13:22 OVER ON THESE COUNTS - IT WAS MY OPINION THAT IT
 WAS ON THESE 3 PURCHASES -
 10:14:08 LIMITED TO THOSE 3 AMOUNTS - RESTITUTION CLAIM
 IN THIS MATTER IS FOR
 10:14:29 \$354,000.00 - IF WE KNEW THE SCOPE OF THE
 REQUEST FOR RESTITUTION - WE WERE
 10:15:20 READY AND PREPARED TO THESE 3 ITEMS - IF THE
 STATE IS WILLING TO STIPULATE TO
 10:15:41 THESE 3 ITEMS AND AMOUNT - WE COULD PROCEED
 TODAY - HE DID NOT DO CRIMINAL
 10:16:22 ACTS TAHT CAUSED THE BANKRUPTCY OF THE
 CORPORTATION -

 10:18:47 **Judge: Mitchell, John**
 I AM NOT UNDERSTANDING YOUR ARGUMENT - LIMITED
 BIND OVER ORDER - I HAVE NEVER
 10:19:00 BEEN CONFRONTED WITH THAT ISSUE - THE COMPLAINT
 IS TIME LINE AND CHARGED WITH
 10:19:19 IN FRONT OF THE JURY IN REGARDS TO THE
 INFORMATION - GENERATOR, HOT TUB AND
 10:19:37 SPOKANE CHIEFS HOCKEY - JUDGE FRIEDLANDER
 DECISION FROM PRELIMINARY HEARING -
 10:19:59 IT WAS NOT ADDRESSED - JUDGE FRIEDLANDER LEFT IT
 TO BE RAISED BEFORE THE
 10:20:26 COURT IN DISTRICT COURT - ANY OTHER PROOF?

 10:20:57 **Public Defender: Neils, Martin**
 PAGE 234 OF PRELIMINARY HEARING TRANSCRIPT

 10:21:19 **Judge: Mitchell, John**
 I READ THAT PAGE

10:21:24 **State Attorney: Verharen, Art**
 I DID ADDRESS THIS ISSUE JUST BEFORE TRIAL -
 THIS WAS FOLLOWING THE DISCOVERY

10:21:40 FROM THIS MATTER - YOU HAVE ALREADY RULED ON
 THIS ISSUE - THIS COULD HAVE

10:21:58 BEEN PRE-TRIAL OR THE DAY OF TRIAL - THE
 SCHEDULE WAS DONE IN 2007 - THE

10:22:19 DOCUMENTS BACK UP THE SUMMARY - IT WAS GIVEN TO
 DEFENSE COUNSEL BEFORE TRIAL

10:22:39 -THEY KNEW OF THE EXHIBITS TAHT WERE GOING TO BE
 USED - IT IS NOT A BASIS TO

10:23:01 CONTINUE THIS HEARING

10:23:05 **Public Defender: Neils, Martin**
 THE ONLY THING IS - IT WAS PROVIDED TO US EARLY
 ON - IT IS NOT A DOCUMENT

10:23:25 LISTING OF MY CLIENTS THEFT - IT DOES NOT
 DISTINGUISH THE WRONG DOING - WE DID

10:23:40 NOT TRY EACH OF THESE ITEMS - IT IS A CATCHUP -

10:24:06 **Judge: Mitchell, John**
 I AM NOT FINDING IN THE MINUTES THAT I
 PREVIOUSLY ADDRESSED THEM - I DO

10:24:21 BELIEVE THAT THE STATE MADE WE HAVE ADDRESSED
 THEM - I DON'T KNOW WHEN OR WHY

10:24:38 - DENY THE MOTION TO CONTINUE ON THE FOLLOWING
 GROUND - LAST TIME WE WERE

10:24:49 HERE - THIS HEARING WOULD NOT BE CONTINUED - I
 STATED I WOULD NOT CONTINUE

10:25:04 THS MATTER - 08/24/10 - IT HAD BEEN 15 WEEKS
 SINCE THE VERDICT WAS GIVEN -

10:25:24 YOU RAISED THE ISSUE OF THE ACCOUNTANT AND THE
 NAME YOU COULD NTO REMEMEBER -

10:25:38 YOU HAVE SINCE REMEMBERED THE NAME AND HE CANNOT
 HELP YOU - IT IS ALMOST HALF

10:26:01 A YEAR PAST VERDICT - THE VERDICT CONCERNS 5 - 6
 YEARS AGO - YOU WERE CHARGE

10:26:21 2YEARS AGO - YOU HAVE HAD PLENTY OF TIME - MR
 NEILS HAS MADE THE CLAIM THAT

10:26:34 INFORMATION IS OUT THERE TO EFFECT MY SENTENCE -
 AN ADDITIONAL ACCOUNTING

10:26:54 WOULD EFFECT THE RESTITUTION - HOW AN
 ACCOUNTANTS OPINION COULD EFFECT MY

10:27:15 DECISION - A JURY OF 12 HAVE FOUND YOU GUILTY -
 I HAVE NOT BEEN GIVEN A

10:27:33 MOTION FOR NEW TRIAL - WE ARE HERE FOR A

10:27:49 SENTENCING HEARING THAT A VERDICT
 CAME BACK WITH - I WILL DEFER THE RESTITUTION TO
 ANOTHER DATE AND TIME -
 10:28:05 YOUR VICTIMS DO NEED CLOSER - ALOT OF PEOPLE H
 AVE BEEN MOBILIZED TWICE - UP
 10:28:32 TO THIS MOMENT - YOU HAVE NEVER ACCEPTED YOUR
 RESPONSIBILTY TO WHAT THE JURY
 10:28:53 HVE FOUND YOU GUILTY OF - THIS IS A MOTION TO
 CONTINUE SENTENCING NOT TO ASK
 10:29:17 FOR A NEW TRIAL - DISRUPTION OF COURT CALENDAR -
 THIS IS 1 1/2 HOURS CARVED
 10:29:37 OUT OF MY SCHEDULE - IT IS CUMBERSOME TO ARRANGE
 THIS TIME - THIS MOTION WAS
 10:29:53 FILED YESTERDAY - IF THIS ACCOUNTANT WAS
 IMPORTANT - I WOULD EXPECT THIS
 10:30:12 MOTION TO BE FILED MUCH SOONER - ALSO YOUR
 LETTER - TYPE 3 PAGE LETTER FROM
 10:30:29 YOU - IT WAS GIVEN TO YOUR PRE-SENTENCE
 INVESTIGATION - DOES COUNSEL HAVE
 10:30:51 THAT?
 10:31:00 I DON'T HAVE IT WITH MY PSI

 10:31:11 **State Attorney: Verharen, Art**
 I DON'T HAVE IT

 10:32:21 **Defendant: HILL, JERRY A**
 YES TAHT IS SOMETHING I WROTE - PAGE 2 OF THE
 QUESTIONAIRE WAS NOT LONG
 10:32:46 ENOUGH SO I WROTE THIS OUT

 10:34:19 **Judge: Mitchell, John**
 I WILL DEFER MY DECISION AS TO RESTITUTION IF
 YOU ARE STILL WANTING TO GET AN
 10:34:38 ACCOUNTANT - ANYTHING FURTHER?

 10:34:49 **State Attorney: Verharen, Art**
 NO

 10:34:56 **Public Defender: Neils, Martin**
 NO

 10:35:00 **Judge: Mitchell, John**
 ANY WITNESSES

 10:35:05 **State Attorney: Verharen, Art**
 NO

1 0:35:08 **Public Defender: Neils, Martin**
YES - I WOULD BE PUTTING ON FOR SSENTENCING -
REDUNDANT TO RESTITUTION - JUST

1 0:36:35 DON'T WANT TO TRY YOUR PATIENCE

1 0:36:50 **Judge: Mitchell, John**
THE JURY AND I WAS NOT GIVEN ANY AMOUNT
SPECIFICALLY THAT CAUSED THE COLLAPSE

1 0:37:13 OF THE BUSINESS -

1 0:37:17 **Public Defender: Neils, Martin**
PSI RECOMMENDATIONS

1 0:37:26 **Judge: Mitchell, John**
THAT IS AN OPINION THAT IS NOT SUPPORTED AT
TRIAL OR ATTACHMENT -

1 0:37:47 ANY CORRECTIONS TO THE PSI?

1 0:38:13 **Public Defender: Neils, Martin**
WE DID MAKE CORRECTIONS LAST TIME WE WERE HERE

1 0:38:26 **Judge: Mitchell, John**
I DON'T SHOW THAT

1 0:38:30 **Public Defender: Neils, Martin**
THE WORD SYMBALT WAS CHANGED

1 0:38:44 **Judge: Mitchell, John**
THAT IS CORRECT THEY WERE CHANGED IN JULY - NO
FURTHER CORRECTIONS?

1 0:39:06 MR HILL IS NODDING HIS HEAD NO

1 0:39:13 **Public Defender: Neils, Martin**
CALLS WITNESS

1 0:39:17 **Other: CLERK**
SWEARS

1 0:40:05 **Other: W - BRAD JORDAN**
I DON'T SPECIFICALLY RECOGNIZE THIS OFF HAND -
ACCOUNTING DOCUMENT -

1 0:41:12 GENERATED INTERNALLY OR BY CURTIS CLARK - CANNOT
TELL YOU OFF HAND -

1 0:41:38 INVESTMENTS NORTHWEST - I AM TRYING TO RECALL -
IT SOUNDS FAMILIAR - IF IT

1 0:42:22 WAS A LLC - I DON'T KNOW - IN TIMES IN THE PAST

WE DID HAVE A LLC WITH SHERRY
10:42:46 GILL - I DO RECALL THAT THE HILLS DID OWN A LAKE
HOME - IN LATE SUMMER OF
10:44:04 2006- THERE WAS A LOAN - DOCUMENT CONCERNING
WHEN JERRY HAD A PROPOSED SALE
10:45:30 ON THE HOME - AMOUNT OF MONEY FROM THE SALE OF
THE HOME

10:45:42 **State Attorney: Verharen, Art**
OBJECT - THE EXHIBIT IS NOT ADMITTED

10:45:54 **Public Defender: Neils, Martin**
CONTINUES

10:45:58 **Other: W - BRAD JORDAN**
I DO KNOW THE SIGNATURE - MINE, PATRICK AND OUR
ATTORNEY SCOTT POORMAN - I DO
10:46:13 BELIEVE THAT IT IS TRUE

10:46:49 **Public Defender: Neils, Martin**
MOVE TO ADMIT DF A

10:46:54 **State Attorney: Verharen, Art**
NO OBJECTION

10:46:56 **Judge: Mitchell, John**
DF A - ADMITTED

10:47:02 **Public Defender: Neils, Martin**
CONTINUES

10:47:17 **Other: W - BRAD JORDAN**
IT IS \$216,738.27 - I AM NOT SURE - CANNOT
REALLY READ IT - NO THAT MONEY DID
10:47:43 PAY TO THE CORPORATION - I SEE THE NOTATION ON
THE TOP - IT IS NOT CORRECT -
10:48:01 IT WAS PAID TO JORDAN HILL - THAT MONEY WENT TO
IDAHO INDEPENDANT BANK - YES
10:48:56 THE MONEY WAS PAID TO SATISFIED THE CORPORATION
LOAN - DF B - SCHEDULE -

10:49:49 **State Attorney: Verharen, Art**
OBJECT - QUESTIONS

10:49:55 **Other: W - BRAD JORDAN**
I AM NOT SURE WHAT THAT DOCUMENT IS - I DON'T

1 0:50:22 KNOW WHO CREATED THAT - THAT IS
CORRECT

1 0:50:24 **State Attorney: Verharen, Art**
LACK OF FOUNDATION

1 0:50:38 **Judge: Mitchell, John**
SUSTAIN

1 0:50:41 **Public Defender: Neils, Martin**
CONTINUES

1 0:50:58 **Other: W - BRAD JORDAN**
DF C - IT LOOKS A CLOSING STATEMENT OF JERRY'S
LAKE HOME - I HAVE NOT SEEN

10:51:37 THIS - THEY WOULD NOT ALLOW US TO SEE IT -
PRIVACY - SETTLEMENT STATEMENT IS

10:52:28 BASED ON LAKE HOME - YES IT DID GO TO SATISFIED
THE SUBDIVISION LOAN -

10:54:01 PRIVATE MONEY LOAN - 3 OF THE SUBDIVISION LOTS -
MR DELAY THAT WAS AN

10:54:02 ATTORNEY OUT OF SPOKANE THAT DID PRIVATE LOANS -
FORMER AGENT - RON WEBSTER -

10:54:22 CONTACT MR DELAY - I DID HAVE PERSONAL CONTACT
WITH HIM - WE ALL HAD PERSONAL

10:54:37 CONTACT WITH HIM - I DON'T RECALL ANY SPECIFIC
TIME - WE WERE ALL SITTING AND

10:54:54 DISCUSSING IT - DF D - IT LOOKS LIKE THE
PRIVATE LOAN - DELAY ENTERPRISES -

10:56:17 THE NOTE IS SIGNED BY ALL THREE PARTNERS - AND
THEIR WIVES - CORPORATION DEBT

10:56:56 - AS FAR AS I KNOW - THAT WAS THE INTENT -

10:57:30 **Public Defender: Neils, Martin**
MOVE TO ADMIT DF D

10:57:35 **State Attorney: Verharen, Art**
ASK QUESTIONS IN AID OF OBJECTION

10:57:43 **Other: W - BRAD JORDAN**
I DO NOT KNOW WHERE THE OTHER PAGES ARE - I
DON'T RECALL - IT WOULD BE

10:58:06 SPECULATION - I WOULD HAVE TO LOOK AT IT AGAIN -
I DON'T RECALL - I AM

10:58:49 GUESSING

10:58:50 **State Attorney: Verharen, Art**
I DON'T WANT YOU TO GUESS

10:58:55 **Other: W - BRAD JORDAN**
NO I DO NOT KNOW THE WRITING

10:59:02 **State Attorney: Verharen, Art**
OBJECT - LACK OF FOUNDATION

10:59:08 **Public Defender: Neils, Martin**
I WOULD AGREE TO THE HANDWRITING - MOVE TO ADMIT
- IT IS AN ACCURATE COPY

10:59:23 **Judge: Mitchell, John**
SUSTAIN THE OBJECTION - I HAVE NOT HEAR THE
ACCURATE TESTIMONY AS TO THE

10:59:47 EXHIBIT - I HAVE HEAR TESTIMONY AS TO THE
EXHIBIT

11:00:42 **Public Defender: Neils, Martin**
CONTINUES

11:02:06 **Other: W - BRAD JORDAN**
DF F - I DO RECOGNIZE IT - WHEN MR DELAY MADE A
CALL ON THE NOTE - 3 - 4 LOTS

11:02:59 - LOTS 17 - 20 - CRIMINSON KING ESTATE - WE
TOLD HIM WE DID NOT HAVE THE

11:03:18 MONEY - HE WOULD TAKE A DEED IN LIEU - THAT IS
WHAT THE PAPERWORK IS TO TAKE

11:03:32 CARE OF ALL OF THAT - 10/05/07 IS THE DATE ON IT
- YES IT IS A PORTION OF IT

11:04:14 - WE DID SIGN THE NOTE TO GUARANTEE IT - IT
WOULD HAVE BEEN UNDER THE

11:05:03 CORPORATE UMBRELLA - CRIMSON KING ESTATE WAS A
SUBDIVISION IN POST FALLS -

11:05:34 YES IT WAS VERY IMPORTANT TO THE CORPORATION -
THERE WAS 2 DIFFERENT PARCELS

11:06:14 - I DON'T KNOW IF WE CALLED IT THE MULLAN
PROPERTY -

11:06:54 **Public Defender: Neils, Martin**
MOVE TO ADMIT DF F

11:06:59 **State Attorney: Verharen, Art**
ASK QUESTION IN AID OF OBJECTION

1 1:07:07 **Other: W - BRAD JORDAN**
NOT TO THE BEST OF MY KNOWLEDGE

1 1:07:17 **State Attorney: Verharen, Art**
OBJECT

1 1:07:19 **Public Defender: Neils, Martin**
WHAT IS NOT ADMITTED YET - THERE IS AN ENTRY -
\$320,000.00 - THE AMOUNT OF

1 1:07:52 THIS LOAN - IT IS RATHER IMPORTANT TO
CONTRIBUTION BY MY CLIENT

1 1:08:14 **Judge: Mitchell, John**
AT LEAST FROM THIS WITNESS IT IS NOT RELATED TO
WHAT THE DEFENDANT OWES THE

1 1:08:33 CORPORATION

1 1:08:37 DENY

1 1:08:40 **Public Defender: Neils, Martin**
CONTINUES

1 1:08:43 **Other: W - BRAD JORDAN**
DF G - PLAT OF KRIMSON KING SUBDIVISION -
PROJECT OF HTE CORPORATION - YES IT

1 1:09:37 IS ACCUURATE OF THE LOTS OF THE SUBDIVISION -
YES MULLAN PROPERTY IS PART OF

1 1:10:04 THIS SUBDIVISION - THE CORPORATION OWNED THE
MULLAN PROPERTY -

1 1:10:55 **Public Defender: Neils, Martin**
MOVE TO ADMIT DF G

1 1:11:01 **State Attorney: Verharen, Art**
ASK SOME QUESTIONS IN AID

1 1:11:07 **Other: W - BRAD JORDAN**
TO THE BEST OF KNOOWLEDGE IT DOES NOT - THE
ITEMS LISTED ON THE AUDIT -

1 1:11:36 MONEY OWED FROM OTHER SOURCES - TO THE BEST OF
RECOLLECTION

1 1:11:49 **State Attorney: Verharen, Art**
OBJECT

1 1:11:50 **Judge: Mitchell, John**
SUSTAIN

11:11:53 **Public Defender: Neils, Martin**
CONTINUES

11:12:38 **Other: W - BRAD JORDAN**
THERE WAS A HOUSE ON THE PROPERTY A PORTION OF
IT WAS SOLD TO LINDA BROWNING

11:13:00 -

11:13:27 **State Attorney: Verharen, Art**
CROSS EXAM -

11:13:57 **Other: W - BRAD JORDAN**
DF A - NO IT DOES NOT HAVE ANYTHING TO DO WITH
THE MONEY THAT WAS TAKEN BY

11:14:24 THE DEFENDANT - THIS WAS PROPERTY THAT HE OWNED
AND PUT UP FOR COLLATERAL - I

11:14:46 NEVER SAW THE MONEY - THE COLLATERAL I PUT UP -
THE BANK FORECLOSED ON THAT -

11:15:01 LAKE LOT - FORCLOSED ON IT IN OCTOBER OF 2009 -
PART OF PROCEEDS WENT TO PAY

11:15:31 TOWARDS THIS LOAN - THE REMAINING WAS USED TO PAY
THE LINE OF CREDIT - I DID

11:15:46 NOT SEE THE MONEY FROM MY COLLATERAL - DF A -
THERE IS HANDWRITING - I WOULD

11:16:30 SAY YES - IT DOES LOOK LIKE JERRY'S HANDWRITING
- I DON'T KNOW WHEN - NO I

11:16:49 DON'T KNOW WHEN HE WROTE THAT - NO THAT WRITING
WAS NO ON THERE WHEN IT WAS

11:17:07 EXECUTED BY MYSELF OR MR HALL -

11:17:32 **Judge: Mitchell, John**
YOU MAY STEP DOWN

11:17:37 **Public Defender: Neils, Martin**
CALLS WITNESS

11:18:01 **Other: CLERK**
SWEARS

11:18:26 **Other: W - TED BALDWIN**
I DO KNOW JERRY HILL - BROTHER IN LAW - 32 YEARS
- I LIVE IN RATHDRUM - I

11:18:46 HAVE LIVED THERE 21 YEARS - JERRY HAS LIVED
LOCALLY - I WOULD SEE HIM TWICE A

11:19:08 MONTH - SOMETIME LONGER OR SHORTER - BOARD GAMES
- I HAVE SEEN HIS DEMEANOR -

11:19:41 MOVING - PLAYING GAMES - I HAVE SEEN HIM HELP
 OTHERS - HE HELPED ME OUT - I
 11:20:05 WAS STATIONED IN SPOKANE ON THE AIR FORCE - HE
 HAS DONATED THROUGH THE
 11:20:35 CORPORATION - MORE FAMILY AND FRIENDS - I HAVE
 ALWAYS KNOWN HIM TO BE AN
 11:21:14 HONEST PERSON - DONATE TO CHARITABLE
 ORGANIZATION - HE IS A MAN OF GOOD
 11:21:51 CHARACTER - THE JURY MAY HAVE FOUND HIM GUILTY -
 WHEN USING THE CREDIT CARD
 11:22:11 IT WAS MONEY OWED TO HIM

 11:22:17 **Public Defender: Neils, Martin**
 OBJECT - NON-RESPONSIVE

 11:22:25 **State Attorney: Verharen, Art**
 IT IS RESPONSIVE

 11:22:41 **Judge: Mitchell, John**
 OVERRULE

 11:22:47 **Public Defender: Neils, Martin**
 CONTINUES

 11:22:49 **Other: W - TED BALDWIN**
 IT WAS NOT THE FOREFRONT OF JERRY TO STEAL - ASK
 THAT THE JUDGE SEE THAT HIS
 11:23:12 ITENT WAS NOT TO TAKE FROM THE COMPANY - HE FELT
 IT WAS MONEY OWED TO HIM -
 11:23:27 HE DOES HAVE A GOOD REPUTATION -

 11:23:49 **State Attorney: Verharen, Art**
 CROSS

 11:23:52 **Other: W - TED BALDWIN**
 I DO KNOW A LITTLE BIT ABOUT THIS CASE - YES HE
 DID USE THE CREDIT CARDS AND
 11:24:10 HE FELT IT WAS OWED TO HIM - BASED ON WHAT HE
 TOLD ME - WE DID SPEND TIME
 11:24:28 TOGETHER 0 FORMED ON WHAT WENT ON DURING THE
 CORPORATION - I DID NOT SEE THE
 11:24:46 EXHIBITS IN THE TRIAL - I HEARD SOME OF THE
 TESTIMONY -

 11:25:14 **Public Defender: Neils, Martin**
 CALLS WITNESS

1 1:25:19 **Other: CLERK**
 SWEARS

1 1:25:38 **Other: W - DALE DENNIS**
 I DO KNOW JERRY HILL - KNOWN HIM FOR 17 - 18
 YEARS - RETIRED - 28 YEARS AS A
1 1:26:13 REAL ESTATE BROKER AND AGENT - LIST OF
 COMMITTEES HE WAS ON - I DID KNOW MR
1 1:26:59 HILL PERSONALLY AND PROFESSIONALLY - I HAVE
 FORMED MY OWN OPINION - I HAVE
1 1:28:48 BOUGHT PROPERTY FROM HIM OR SOLD PROPERTY TO HIM
 - I DO HAVE AN OPINION OF
1 1:29:04 HIS CHARACTER - IF I KNEW OF ANY ISSUES I WOULD
 NOT HAVE DONE ANY PERSONAL
1 1:29:22 TRANSACTION - I WAS HERE DURING THE TRIAL - I DO
 HAVE A FEW NOTES - JERRY
1 1:30:31 WOULD PUT THE COMMISSIONS INTO THE CORPORATION
 AND THEN PEICE MEAL THEM OUT -
1 1:30:48 IT IS SOMETHING TAHT HAPPENED 4 - 5 YEARS
 PREVIOUSLY - DEFER PAYMENTS TO
1 1:31:17 HIMSELF - KEEP MONEY IN THE COMPANY -

1 1:31:55 **State Attorney: Verharen, Art**
 OBJECT - NON RESPONSIVE

11:32:01 **Judge: Mitchell, John**
 SUSTAIN

11:32:03 **Public Defender: Neils, Martin**
 CONTINUES

11:32:05 **Other: W - DALE DENNIS**
 IF THERE WAS ANY HINT OF ANY WRONG DOING

11:32:16 **State Attorney: Verharen, Art**
 ASKED AND ANSWERED

11:32:33 **Judge: Mitchell, John**
 OVERULED TO NARRATIVE - IT IS REPEATIVE

11:32:50 **State Attorney: Verharen, Art**
 CROSS EXAM

11:32:55 **Other: W - DALE DENNIS**
 NO PERSONAL TRANSACTION SINCE CHARGES WERE FILED
 - YES DEFENDANT TOLD ME THAT

1 1:33:23 HE KEPT COMMISSIONS IN THE COMPANY AND TOOK THEM
OUT WHEN HE NEEDED IT

1 1:33:38 **Public Defender: Neils, Martin**
RE DIIRECT

1 1:33:43 **Other: W - DALE DENNIS**
THROUGH CHECKS WRITTEN ON THE COMPANY - YOU ONLY
HAVE TO SALE IS HONOR AND

1 1:34:04 TRUSTWORTHY

1 1:34:09 **Judge: Mitchell, John**
TAKE A RECESS

1 1:34:24 **Stop recording**

Court Minutes:

Session: MITCHELL092810A
Session Date: 09/28/2010
Judge: Mitchell, John
Reporter: Foland, Julie

Division: DIST
Session Time: 09:00

Courtroom: Courtroom8

Clerk(s): Jokela, Pam

State Attorney(s): Verharen, Art

Public Defender(s):
Neils, Martin
Walsh, Sean

Prob. Officer(s):

Court interpreter(s):

Case ID: 0005

Case number: CR2008-26363

Plaintiff:

Plaintiff Attorney:

Defendant: HILL, JERRY A

Pers. Attorney:

Co-Defendant(s):

State Attorney: Verharen, Art

Public Defender: Neils, Martin

Previous audio and annotations can be found in case: 0003

09/28/2010

12:01:54

Recording Started:

12:01:54

Case recalled

12:02:34

Public Defender: Neils, Martin

CALLS WITNESS

12:02:39 **Other: CLERK**
SWEARS

12:03:14 **Other: W - DONALD HEIKKILA**
I DO KNOW JERRY HILL - FIRST COUSIN ONCE REMOVED
- I HAVE KNOWN HIM HIS
12:03:31 ENTIRE LIFE - I AM FROM HARRISON, ID - OWN A
CATTLE RANCH - OUR WHOLE FAMILY
12:08:27 IS CONCERNED ABOUT JERRY'S HEALTH - TRIPLE
BIPASS SURGERY SEVERAL YEARS AGO -
12:08:46 NO ONE HAS EVER SPOKEN BAD OF JERRY - I HAVE
NEVER KNOWN HIM TO DO ANYTHING
12:09:14 ILLEGAL - THE MOST GENEROUS PERSON I HAVE EVER
MET - TAKE INTO CONSIDERATION
12:09:56 THESE THINGS FOR HIM TO DO COMMUNITY SERVICE -

12:10:21 **Public Defender: Neils, Martin**
CALLS WITNESS

12:10:25 **Other: CLERK**
SWEARS

12:10:44 **Other: W - JERRY HILL**
I AM THE DEFENDANT IN THIS MATTER - DF B - I DO
RECOGNIZED THIS - AUDIT THAT
12:11:15 CURTIS CLARK DID WHEN I LEFT - IT IS ACCURATE

12:11:26 **Public Defender: Neils, Martin**
MOVE TO ADMIT

12:11:30 **State Attorney: Verharen, Art**
NO OBJECTION

12:11:32 **Judge: Mitchell, John**
DF B IS ADMITTED

12:11:37 **Public Defender: Neils, Martin**
CONTINUES

12:11:52 **Other: W - JERRY HILL**
I WAS IN PARTNERSHIP WITH BRAD JORDAN - MULTIPLE
NAMES - JORDAN HILL INC -
12:12:53 JORDAN HILL HALL - GMAC - INVESTMENT NORTHWEST -
12/31/03 INVESTMENT

12:13:37 NORTHWEST FOR \$19,000.00 - THAT IS WHAT IS OWED

12:13:50 **State Attorney: Verharen, Art**
QUESTIONS

12:13:53 **Other: W - JERRY HILL**
I DID NOT PREPARED THIS DOCUMENT - MAGNUS AND
MCHUGH PREPARED THESE FIGURES

12:14:22 **State Attorney: Verharen, Art**
OBJECT - GROUND OF LACK OF FOUNDATION

12:14:30 **Judge: Mitchell, John**
OVERRULED

12:14:38 **Public Defender: Neils, Martin**
CONTINUES

12:14:43 **Other: W - JERRY HILL**

12:14:47 **State Attorney: Verharen, Art**
OBJECT LACK OF FOUNADATION

12:14:52 **Judge: Mitchell, John**
OVERRULED

12:14:56 **Public Defender: Neils, Martin**
CONTINUES

12:14:58 **Other: W - JERRY HILL**
THE CORPORATION OWED US MONEY -

12:15:38 **Judge: Mitchell, John**
IS THERE ANYTHING YOU WOULD LIKE TO TELL ME/

12:15:49 **Defendant: HILL, JERRY A**
IT HAS BEEN A LONG TIM E- I DID NOT WANT THIS TO
BE THAT LONG - I TOOK THE

12:16:38 MONEY OWED TO ME AS SMALL AMOUNTS - I TOLD THE
BOOK KEEPER THAT - I WAS NOT

12:16:56 TRING TO STEAL FROM TEH COMPANY - I TOOK IT
SMALL AMOUNT THE OTHER PARTNER

12:17:14 TOOK IT IN A LARGE AMOUNT - I AM SORRY TO MY
FAMILY - I HAVE NOT BEEN WORKING

12:17:38 - I AM NOW CONVICTED - I CANNOT DO REAL ESTATE

12:18:02 - OR WHITE COLLAR WORK - THE
 STATE WILL NOT GIVE ME MY LI CENSE BACK - I AM
 CONCERNED ABOUT HTIS

 12:18:16 **State Attorney: Verharen, Art**
 FOLLOW THE RECOOMMENDATIONS - 10 YEARS - 3 FIXED
 - THE AMOUNT OF MONEY HE
 12:18:39 STOLE - WE ARE TALKING MANY THOUSANDS OF DOLLARS
 - THE AMOUNT OF TIME THAT
 12:18:55 WENT BY WHILE HE WAS STEALING THIS MONEY - IT
 WENT ON DAY AFTER DAY FOR THREE
 12:19:10 YEARS - IT AMOUNTED TO LARGE AMOUNT OF MONEY -
 THE MANNER IN WHICH HE STOLE
 12:19:30 THE MONEY - CREATIVE THOUGHT TO STEAL THE MONEY
 - USING CREDIT CARD - ACH
 12:19:53 CHECKS - WRITING CHECKS TO HIMSELF - USING
 VENDING MACHINE - THROUGH COSTCO -
 12:20:25 TIME AFTER TIME AFTER TIME - IT IS JUSTIFIED AS
 HE WENT ABOUT TAKING THIS
 12:20:45 MONEY - HE TOOK IT FROM 2 BUSINESS PARTNERS - HE
 HAD A FUDICIARY DUTY TO
 12:21:05 THESE PARTNERS - THAT SENSE OF BETRAYAL - IMPACT
 ON THEM - IT DOES JUSTIFY
 12:21:25 THE SENTENCE - HIS DISHONESTY AT TRIAL - THE
 EVIDENCE PRODUCED AT TRIAL - IT
 12:21:59 SHOWED THE THEFTS HERE - IT WAS NOT MADE FOR
 TRIAL - IT WAS MADE BY THE
 12:22:21 DEFENDANT HIMSELF AD THE CORPORATION - FOR HIM
 TO TESTIFY THE WAY HE DID -
 12:22:42 DENY HIS COPABILITY - YOU HAVE ALL THESE PEOPLE
 IN HERE THAT BELIEVE THAT HE
 12:23:01 IS INNOCENT - HE DID WHAT HE DID AND WAS FOUND
 GUILTY BY THE JURY - THAT IS
 12:23:22 ASHAME - HE HAS CONTINUED TO BE DISHONEST TO ALL
 THESE PEOPLE - THAT SHOULD
 12:23:38 ALSO BE A FACTOR - HE IS NOT TAKING ANY
 RESPONSIBILTY - REHABILITATION IS NOT
 12:23:59 AN ISSUE - PROTECTION OF SOCIETY - PRISON
 SENTENCE WILL DO THAT - DETERIANCE
 12:24:21 AND PROTECTION - CONSIDER RETAINED - IF
 RESTITUTION WOULD BE PAID - I DON'T
 12:24:50 THINK HE WILL EVER PAY THAT BACK TO HIS 2
 PARTNERS - THAT IS WHAT YOU SHOULD
 12:25:03 IPOSE - TAKE JUDICAL NOTICE OF PL #12 - THAT
 CAME IN FROM CURTIS CLARK - IT
 12:25:23 SETS OUT THE MONEY OWED TO THE CORPORATION -

12:25:56 **Judge: Mitchell, John**
ANY OBJECTION TO ME TAKING JUDICIAL NOTICE PL #12?

12:26:24 **Public Defender: Neils, Martin**
I BELIEVE THAT IS DF B -

12:27:12 **Judge: Mitchell, John**
PL #12 IS CURTIS CLARK - I DON'T HAVE TRIAL EXHIBITS HERE

12:27:33 **Public Defender: Neils, Martin**
NO OBJECTION

12:27:35 **Judge: Mitchell, John**
GRANT THAT REQUEST

12:27:39 **Public Defender: Neils, Martin**
JERRY HILL IS AN INDIVIDUAL THAT WOULD NOT EXPECT TO BEFORE THE OCURT FOR ANY

12:28:05 KIND OF SENTENCING - HE HAS LIVED HIS LIFE IN A FORTH WRIGHT MANNER - HE HAS

12:28:23 BEEN ACTIVELY ENGAGED IN THE COMMUNITY - HE HAS WORKED IN THE MINES -

12:28:43 SUFFICIENT TO SUPPORT HIMSELF AND HIS FAMILY - PUT HIMSELF THROUGH SCHOOL TO

12:28:55 BECOME A REAL ESTATE AGENT - THAT IS WHAT HE HAS DONE - HE IS A HARD WORKING

12:29:14 INDIVUAL - TRUST IN A REAL ESTATE TRANSACTION - THE PEOPLE THAT ARE HERE

12:29:34 SUPPORTING HIM - THESE ARE THE PEOPLE THAT KNOW HIM BEST - THIS IS BROADER

12:31:05 THAN HIS FAMILY AND KIDS - HE IS A PERSON WHO HAS GONE OUT OF HIS WAY TO HELP

12:31:27 - HE HAS 3 CHILDREN - HIS CHILDREN ARE RESPECTIVE AND LOVING AND CARING - ONE

12:32:02 CHILD IS IN LAW ENFORCEMENT - JERRY IS A GIVING PERSON - HE IS NOT SEEKING

12:32:19 CREDIT - CONTRIBUTED HIS TIME AND MONEY TO CHILDRENS VILLAGE, OASIS,

12:32:35 KOOTENAI HUMANE SOCIETY - HE WAS PART OF THE COAST GUARD - HE CANNOT RETURN

12:34:15 TO THAT - NOT ONLY HIS AGE, BUT HEALTH - THE STATE FOCUS ON HIS LACK OF

12:35:11 RESPONSIBILTY - HE MAINTAINS TO THIS DAY THAT THE CORPORATION OWES HIM MONEY

12:35:39 - THE JURY DID FIND HIM GUILTY OF A CRIMINAL ACT
ON EACH OF THE COUNTS - IN
12:36:24 REFERENCE TO THE ACCOUNTING - YOU HEARD TESTIMONY
TODAY - MULLAN PROPERTY ALSO
12:36:39 KNOWN AS CRIMSON KING PROPERTY - DF B - LIST THE
OBLIGATIONS THAT THE
12:37:07 CRIMSON KING INVESTMENTS - THE DELAY HOOME AND
MULLAN PROPERTY - REGARDING
12:37:28 TE SAME TRANSACTION AND CORPORATE IN NATURE -
TOTAL LISTED IN DF B - IS
12:37:50 \$320,000 - DEBT OF THE DEFENDANT NOT HTE
CORPORATION - 10/15/06 - THERE WAS
12:38:23 ALSO DELAYED LOAN PAYMENTS - CHARGES IN REGARDS
TO MAVERICK PROPERTY -
12:38:46 ADDITIONAL PROPERTY TO CRIMSON KING - IF YOU
TAKE ALL OF THOSE SUMS AND APPLY
12:39:15 IT - IT COMES OUT TAHT THE CORPORATION OWED HIM
- JERRY HILL BELIEVED THAT
12:39:59 THIS WAS MONEY THAT HE WAS OWED - COPABILITY IS
DIFFERENT - ARGUMENT THAT THE
12:40:17 DAMAGE HE DID BY TAKING ALL OF THIS MONEY FROM
THE CORPORATION - BANKRUPTCY
12:40:44 SCHEDULE - CORPORATE LIABILITY - ALMOST 5
MILLION DOLLARS - IT IS NOT MR
12:41:17 HILLS ACTION TAHT ENDED THIS CORPORATION - PLAC
E HIM ON PROBATION - CONSIDER
12:41:30 COMMUNITY SERVICE - THE PERSON HE HAS ALWAYS
BEEN AND NO CRIMINAL RECORD -
12:41:51 DETERIANCE IS THERE - HIS LIFE AS HE KOWS IT IS
OVER - THE ABILITY TO EARN
12:42:05 MONEY - THE PEOPLE THAT KNOW HIM BEST ARE HERE
FOR HIM - THE JURY DID FIND
12:42:40 HIM GUILTY - HE WILL DO WHAT IS REQUIRED - DO
WHAT THE COURT ORDERS HIM - I
12:43:15 SEE KNOW REASON TO IMPOSE SENTENCE TO PRISON ON
HIM

12:43:29 **Judge: Mitchell, John**
RECESS

12:43:37 **Stop recording**
(Off Record)

12:57:30
Recording Started:

12:57:30 **Record**
HILL, JERRY A

12:57:30 **Judge: Mitchell, John**
BACK ON THE RECORD

13:00:34 I HAVE READ THE ENTIRE PSI AND ALL ATTACHMENTS -
I HAVE ALSO BEEN GIVEN A

13:01:01 LETTER FROM THE PLAINTIFF - LETTER FROM DEBRA
JORDAN - 3 PG TYPED REPORT FROM

13:01:25 DEFENDANT - I READ MY NOTES FROM THE TRIAL -
COUNT 1 - 3 + 3 = 6 - COUNT 2 -

13:02:12 3 + 3 = 6 - COUNT 3 - 3 + 3 = 6 - ALL SENTENCES
RUN CONCURRENT - GO TO PRISON

13:02:46 TODAY - RETAIN JURISDICTION FOR 365 DAYS - WE
WILL HAVE A HEARING - YOU WILL

13:03:20 HAVE TO PROVE TO ME WHY YOU ARE A GOOD CANDIDATE
FOR PROBATION - I WILL NOT

13:03:34 MAE THAT FINDING UNLESS YOU COME TO GRIPS TO
WHAT YOU HAVE DONE - I WILL

13:03:48 LEAVE THE RESTITUTION OPEN UNTIL YOU COME BACK
FROM YOUR RETAIN - 42 DAYS TO

13:04:04 APPEAL - THIS IS DIFFICULT SENTENCING DECISION -
YOUR STEADFAST REFUSAL TO

13:04:20 TAKE RESPONSIBILITY TO YOUR ACTIONS - YOU ARE
GOING TO PRISON FOR THAT - I

13:04:35 HAVE TO KEEP PROTECTION - DETERIORANCE -
REHABILITATION - PUNISHMENT - YOU HAVE

13:05:04 NOT EVEN STARTED DOWN THE ROAD TO REHABILITATION
- DETERIORANCE IS A BIG

13:05:27 FACTOR FOR YOU AND OTHERS - I DO HAVE EVIDENCE
THAT YOU DID TAKE THIS MONEY

13:05:43 FROM THIS THRIVING BUSINESS - THE PUNISHMENT IS
A BIG FEATURE HERE - A LOT OF

13:06:01 MONEY TAKEN OVER A LOT OF TIME - THE AMOUNT IS
STILL UP IN THE AIR - THE JURY

13:06:15 HEARD A LOT OF EVIDENCE - YOUR CONTROL OVER THE
BUSINESS - SPECIFIC DIRECTIVE

13:06:29 TOWARDS MS WALKER - AND MS GICONO - EVEN THOUGH
IT WAS LAID OUT PRETTY CLEAR

13:07:08 BY CURTIS CLARK - YOU STILL ARE TAKING NO
RESPONSIBILITY TO THAT - THE PA

13:07:20 HAD TO CONVINCE EACH JURY ON THREE COUNTS - THAT
IS 36 VOTES TO NOTHING - YOU

13:07:47 HAVE NOT CONVINCED ME OF ANY OF YOUR CLAIMS - SO
IT IS BASICALLY 37 TO NOTHING

13:08:04 - I DON'T WANT YOU TO COME BACK THINKING YOU MAY

13:08:40 NOT GO TO PRISON - YOU NEED
TO CHANGE YOUR ATTITUDE

13:08:48 **State Attorney: Verharen, Art**
NO

13:08:50 **Public Defender: Neils, Martin**
ASK FOR A REPORT DATE FOR 1 WEEK FROM TODAY TO
FINALIZE HIS THINGS =

13:09:05 **Judge: Mitchell, John**
PRESENTENCE INVESTIGATION IS RECOMMENDING PRISON
- NOT EVEN RETAINED - YOU

13:09:23 HADTO KNOW THAT YOU WERE GOING TO BE TAKEN INTO
CUSTODY TODAY -

13:09:41 **Stop recording**

FILED 09/28/10

AT 1:09 O'clock P M
CLERK, DISTRICT COURT

John T. Mitchell
Deputy

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY ALLAN HILL

DOB: [REDACTED]

SSN: [REDACTED]

IDOC: 97615

Defendant.

Case No. **CRF 2008 26363**

**SENTENCING DISPOSITION
AND NOTICE OF RIGHT TO
APPEAL**

The block checked below constitute the sentencing disposition in the above matter.

- ☐ **ORDER WITHHOLDING JUDGMENT AND SENTENCE**
☐ **ORDER SUSPENDING JUDGMENT AND SENTENCE**
☒ **JUDGMENT AND SENTENCE**

On August 24, 2010, before the Honorable John T. Mitchell, District Judge, you, **JERRY ALLAN HILL**, personally appeared for sentencing. Also appearing were a representative of the Prosecuting Attorney for KOOTENAI County, Idaho and your lawyer, Martin Neils. You made a motion to continue because you expressed dissatisfaction of your attorney because he had not provided the Court with information from an accountant. You did not know the name of this accountant. Your motion to continue was granted but you were ordered to determine by the end of the day, after consultation between John Adams, Kootenai County Public Defender, Martin Neils, deputy public defender, and yourself, whether Martin Neils would remain your attorney. The Court was informed that you agreed Martin Neils would remain your attorney.

On September 28, 2010, before the Honorable John T. Mitchell, District Judge, you, **JERRY ALLAN HILL**, personally appeared for sentencing. Also appearing were a representative of the Prosecuting Attorney for KOOTENAI County, Idaho and your lawyer, Martin Neils.

WHEREUPON, the previously ordered presentence report having been filed, and the Court having ascertained that you have had an opportunity to read the presentence report and review it with your lawyer, and you having been given the opportunity to explain, correct or deny parts of the presentence report, and having done so, and you having been given the opportunity to make a statement and having done so, and recommendations having been made by counsel for the State and by your lawyer, and there being no legal reason given why judgment and sentence should not then be pronounced, the Court did then pronounce its sentencing disposition as follows:

IT IS HEREBY ORDERED that you, **JERRY ALLAN HILL**, having been found guilty by a jury of the criminal offenses charged in the Information on file herein as follows: COUNT I -

GRAND THEFT, I. C. 18-2403, 18-2407(1); COUNT II - GRAND THEFT, I. C. 18-2403, 18-2407(1); AND COUNT III - GRAND THEFT, I. C. 18-2403, 18-2407(1);

THAT YOU, JERRY ALLAN HILL, ARE GUILTY OF THE CRIMES SO CHARGED, and now, therefore,

☐ **IT IS FURTHER ORDERED** that, pursuant to **I.C. §19-2601(3)**, judgment and sentence are withheld for a period of _____ years.

☒ **IT IS FURTHER ORDERED** that, pursuant to **I.C. §19-2513**, you are sentenced as follows:

COUNT I - GRAND THEFT, (a felony), Idaho Code § I. C. 18-2403, 18-2407(1), committed on or between January 1, 2004 and June 30, 2005 – to the custody of the Idaho State Board of Correction for a fixed term of THREE (3) years followed by an indeterminate term of THREE (3) years, for a total term not to exceed SIX (6) years.

COUNT II - GRAND THEFT, (a felony), Idaho Code § I. C. 18-2403, 18-2407(1) committed on or between July 1, 2005 and December 31, 2005 – to the custody of the Idaho State Board of Correction for a fixed term of THREE (3) years followed by an indeterminate term of THREE (3) years, for a total term not to exceed SIX (6) years.

COUNT III - GRAND THEFT, (a felony), Idaho Code § I. C. 18-2403, 18-2407(1) committed on or between January 1, 2006 and May 31, 2006 – to the custody of the Idaho State Board of Correction for a fixed term of THREE (3) years followed by an indeterminate term of THREE (3) years, for a total term not to exceed SIX (6) years.

THESE SENTENCES RUN CONCURRENT.

☐ **IT IS FURTHER ORDERED** that, pursuant to **I.C. §19-2601(2)**, judgment and sentence are suspended, pursuant to the terms of probation listed below.

☒ **IT IS FURTHER ORDERED** that **JERRY ALLAN HILL** is committed to the custody of the Idaho State Board of Correction on the date of the sentencing hearing, September 28, 2010.

☒ **IT IS FURTHER ORDERED** that the court shall retain jurisdiction for up to three hundred and sixty five (365) days pursuant to **I.C. § 19-2601**.

THE COURT RECOMMENDS for the defendant the following retained jurisdiction sentencing option:

☐ Correctional Alternative Placement Program (CAPP) [RJCAPP].

☐ Retained Jurisdiction (Traditional Rider) [RJTR].

☐ Therapeutic Community (TC Rider) [RJTC].

☒ No Recommendation [RJNR].

JERRY ALLAN HILL NEEDS AT LEAST COGNITIVE RESTRUCTURING AND ASSISTANCE COMING TO TERMS WITH HIS COMMISSION OF THE OFFENSES HE HAS BEEN CONVICTED OF BY THE JURY.

☒ **IT IS FURTHER ORDERED** that upon the issuance of the Retained Jurisdiction's Addendum to the Presentence Report and defendant's completion of all assigned programs, **JERRY ALLAN HILL** shall be transported to the KOOTENAI County Jail to be held without bond pending a hearing to determine whether or not the court should exercise its retained jurisdiction. At such a hearing Defendant will have the opportunity to rebut or

supplement the recommendation of the jurisdiction review committee, with the state having an opportunity to respond. Thereafter, the defendant will be given an additional right of allocation before the court enters its final judgment.



IT IS FURTHER ORDERED pursuant to *I.C. § 19-5302* that the court shall reserve jurisdiction to determine the amount of restitution you shall pay your victim(s) in this matter. The amount shall be determined from time to time by stipulation or upon notice and hearing. Thereafter, a separate civil judgment shall be entered against you and in favor of your victims. Such civil judgment shall bear statutory interest from the date of each offense. *Restitution to be left open for 90 days after jurisdictional review hearing*



IT IS FURTHER ORDERED that, the court having found you to have either the present or the future ability to pay, you shall pay court costs and fees on each count or charge as follows:

a. Court costs	17.50
b. Victim's Comp. Fund, I.C. § 72-1025(1)(a)	75.00
c. P.O.S.T. Fee	10.00
d. KOOTENAI Co. Justice Fund	10.00
e. ISTARs Fund	10.00
f. Peace/Detention Officer Disability Act	3.00
TOTAL each count or charge	\$ 125.50



IT IS FURTHER ORDERED that pursuant to Idaho Code § 18-309 you, **JERRY ALLAN HILL**, shall be given **ZERO (0)** days credit for time served on any sentence imposed on the above charges.



IT IS FURTHER ORDERED, that you are placed on supervised probation for a period of _____ years upon the terms and conditions identified and set forth on the attached Schedule of Probation Terms and Conditions.



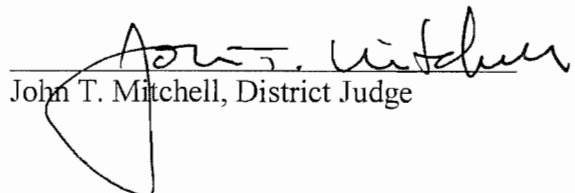
IT IS FURTHER ORDERED that in the presence of your probation officer, you shall on a certified copy of this order and the attached Schedule of Probation Terms and Conditions endorse your receipt of a copy of this order and shall have initialed your acceptance, agreement, and consent to each of the terms and conditions contained in this order and attachment. Your probation officer shall return to the court the certified copy, which contains your endorsement.

NOTICE OF RIGHT TO APPEAL

YOU, JERRY ALLAN HILL, ARE HEREBY NOTIFIED that you have a right to appeal this order to the Idaho Supreme Court. Any notice of appeal must be filed within forty-two (42) days of the entry of the written order in this matter.

YOU ARE FURTHER NOTIFIED that if you are unable to pay the costs of an appeal, you have the right to apply for leave to appeal in forma pauperis or to apply for the appointment of counsel at public expense. If you have questions concerning your right to appeal, you should consult your present lawyer.

DATED this 28th day of September, 2010.


John T. Mitchell, District Judge

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CERTIFICATE OF MAILING

I hereby certify that on the 28 day of Sept., 2010, copies of the foregoing Order on Disposition were mailed, postage prepaid, or sent by facsimile or interoffice mail to:

Defense Attorney - Martin Neils 446.1701

Prosecuting Attorney - 446.1833

Probation & Parole 769.1481

~~Community Service~~

✓ KOOTENAI County Sheriff

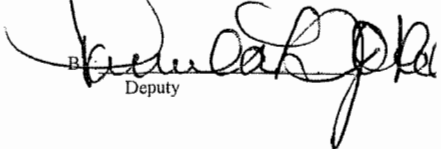
If committed to its custody:

✓ Idaho Department of Correction

[certified copy

Faxed to (208) 327-7445]

CLERK OF THE DISTRICT COURT
KOOTENAI COUNTY


Deputy

ORIGINAL

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

STATE OF IDAHO
COUNTY OF KOOTENAI
FILED: SS

2010 OCT 12 PM 4:45

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

VS.

JERRY A. HILL,

Defendant.

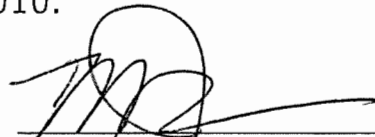
Case No. CR F 08-26363

MOTION FOR A NEW TRIAL

COMES NOW the above named Defendant, Jerry A. Hill, by and through his attorney of record, Mark A. Jackson of MARK A. JACKSON, P.A., and pursuant to **I.C. § 19-2406** and **ICR 34**, hereby moves the court for a new trial in this case. This motion is made on the following grounds:

1. New evidence exists which the Defendant could not with reasonable diligence have discovered or produced in the trial.
2. The verdict was contrary to law or evidence.
3. The court misdirected the jury in a matter of law, or erred in decisions involving questions of law arising during trial.
4. The jury was guilty of misconduct by which a fair and due consideration of the case has been prevented.
5. Any other grounds allowed under **I.C. § 19-2406** uncovered in the investigation in the above case.

DATED this 12 day of October, 2010.



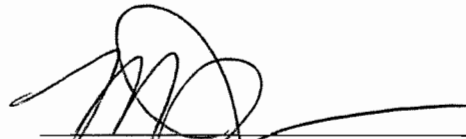
Mark A. Jackson

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 12 day of October, 2010, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- ☐ U.S. Mail
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☒ Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

STATE OF IDAHO } ss
COUNTY OF KOOTENAI
FILED: 10/12/10
AT 4:51 O'CLOCK P.M.
CLERK, DISTRICT COURT
Michael Laese
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF MARK A. JACKSON IN
SUPPORT OF MOTION FOR
EXTENSION OF TIME TO FILE
MOTION FOR A NEW TRIAL

STATE OF IDAHO)
 ss
COUNTY OF KOOTENAI)

I, Mark A. Jackson, being first duly sworn upon oath, deposes and
says:

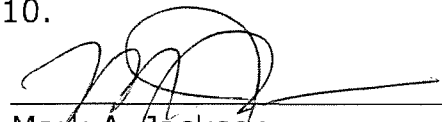
1. I am a licensed attorney in the State of Idaho, and I am competent to testify in the matters set forth herein.
2. At approximately 2:00 p.m. today I was retained to represent Mr. Hill in the above case.
3. I immediately delivered to the Public Defender's office a Substitution of Counsel, which I have filed herewith.
4. Today is the 14th day following the imposition of the sentence on September 28, 2010. **ICR 34** requires the filing of any motion for new

AFFIDAVIT OF MARK A. JACKSON IN SUPPORT OF MOTION FOR EXTENSION OF TIME TO
FILE MOTION FOR A NEW TRIAL - 1

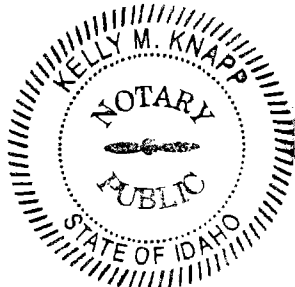
trial on certain grounds to be filed within 14 days of the imposition of sentence. **ICR 34** also allows the court to extend such time frame for filing the new trial motion so long as the court fixes the time during the 14 day period.

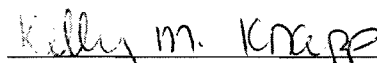
5. I spoke briefly (15 minutes) with Martin Neils at approximately 2:30 p.m. today regarding the case, and have an appointment to meet with him later this week to examine the files.
6. I would respectfully ask the court to grant me an additional 21 days from today (November 2, 2010) to file a motion for new trial in the above case to give the undersigned additional time to familiarize himself with the trial, exhibits, and testimony.

DATED this 12 day of October, 2010.


Mark A. Jackson

SUBSCRIBED AND SWORN TO before me this 12th day of October, 2010.



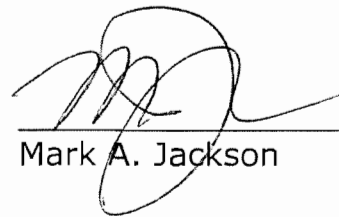

Notary Public for Idaho
Residing in: CDA.
My Commission Expires: 11-5-10

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 12 day of October, 2010, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- ☐ U.S. Mail
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☒ Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

STATE OF IDAHO } ss
COUNTY OF KOOTENAI
FILED: 10-12-10
AT 5:15 O'CLOCK P.M.
CLERK, DISTRICT COURT
John T. Mitchell
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

VS.

JERRY HILL,

Defendant.

Case No. CR F 08-26363

ORDER EXTENDING TIME TO FILE
MOTION FOR A NEW TRIAL

The undersigned, having reviewed the file herein, and having been presented with a Motion for Extension of Time to File a Motion for New Trial, *affidavit of Mark Jackson, no hearing occurred and no "no objection" was obtained by the prosecutor,* and for good cause appearing, now therefore;
IT IS HEREBY ORDERED that the Defendant is granted additional time *October 26, 2010* until **November 2, 2010**, to file a Motion for a New Trial herein. *No stay of sentence occurs as a result of this order.*
DATED this 12th day of October, 2010.

John T. Mitchell
John T. Mitchell, Magistrate

CLERK'S CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 12 day of October, 2010, I served the within and foregoing document, by causing a true and correct copy thereof to be faxed to:

Mark A. Jackson
MARK A. JACKSON, P.A.
110 Wallace Avenue
Coeur d'Alene, ID 83814
Fax No. (208)666-0550 ✓

Kootenai County Prosecutor, *Art Verhaagen*
P.O. Box 9000
Coeur d'Alene, ID 83816
Fax No. (208)446-1833 ✓

DANIEL J. ENGLISH,
CLERK OF THE COURT

By: *Michael Clausen*
Deputy Clerk

STATE OF IDAHO
COUNTY OF KOOTENAI } SS
FILED

683
MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

2010 OCT 26 PM 3:48

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AMENDED MOTION FOR A NEW
TRIAL

COMES NOW the above named Defendant, Jerry A. Hill, by and through his attorney of record, Mark A. Jackson of MARK A. JACKSON, P.A., and pursuant to **I.C. § 19-2406** and **ICR 34**, hereby moves the court for a new trial in this case. This motion is made on the following grounds:

1. New evidence exists which the Defendant could not with reasonable diligence have discovered or produced in the trial
2. The verdict was contrary to law or evidence.
3. The court misdirected the jury in a matter of law, or erred in decisions involving questions of law arising during trial.
4. The jury was guilty of misconduct by which a fair and due consideration of the case has been prevented.
5. Any other grounds allowed under **I.C. § 19-2406** uncovered in the investigation in the above case.
6. The Defendant is entitled to a new trial based on various facts and evidence, including, but not limited to, the following:

- a. No testimony or documentation was presented regarding existing shareholder receivable loans already existing between the three shareholders, Brad Jordan, Patrick Hall, and Jerry Hill as shown by the evidence and by the 9/15/06 memo from Len Hodge, accountant. Such shareholder loan amounts cause doubt in the conclusions made by the accountant that testified during the State's case.
- b. Elizabeth Primozich, the bookkeeper of the corporation from approximately 2003 to September, 2005, was never contacted or testified in the trial. In fact, when contacted, she was shocked by hearing of this case. She has knowledge that all three shareholders participated in covering overdrafts of the corporation, that Jerry had a good character, that all three shareholders considered the Crimson King/Maverick/Mullan investment a corporate project, that the corporation's accountants were previously raising concerns to all three shareholders about the allocation of the account receivables owed by all of the shareholders, and other relevant information. This information would have changed the jury's outlook on how the corporation was run by all three shareholders, as the trial seemed to focus only on Jerry's financial interactions with the company.
- c. An August 9, 2005 memo signed by all three shareholders showed corporate consent for Jerry Hill to use GMAC funds for his personal account.
- d. No documents were presented in court showing the corporation's signature on the Delay note, and the corporation's involvement in the Delay loan.
- e. No documentation was presented in court of the \$295,000.00 security against Jerry's lake home, how such proceeds were

applied against corporate debts, and how such proceeds affected Plaintiff's Exhibit No. 12.

- f. No documents were presented at trial showing the credit Jerry Hill should have received from the Investments Northwest, LLC loan to the corporation.
- g. No evidence was presented at trial about the listing price of the lots at Crimson King Estates, which provides evidence of Jerry's non-criminal intent in this matter.
- h. Evidence was not presented thoroughly at trial regarding the fact that the Crimson King/Mullan/Maverick project was a corporate project.
- i. No evidence was presented at trial regarding the civil complaint in Kootenai County Case No. CV 07-3648, the civil case against Jerry Hill, whereby the corporation confusingly claimed that Jerry purchased the Maverick house in direct competition and interference with the corporation, when in fact the other shareholders were not only fully aware of such purchase, but approved of such purchase to aid the development and sale of the Crimson King Estate lots, and a large picture of the entire project hung in the corporate office.
- j. Other checks such as check No. 2204 from Jerry Hill to the corporation, were not even referenced in Plaintiff's Exhibit No. 12.
- k. The Promissory Note dated January 12, 2006 to Delay Enterprises, LLC for \$320,000.00 was signed by all three shareholders and the corporation, thus showing the intent of the corporation to be involved in the Crimson King/Maverick/Mullan real estate investments.
- l. An accountant will testify that the information gathered by Curtis Clark was not an "audit" as referenced at trial, but in fact it was

an incomplete and inaccurate collection of data which did not paint the entire financial picture of the corporation.

Furthermore, the underlying data for the conclusions of Plaintiff's Exhibit No. 12 were not presented or shown at trial.

- m. Further information, such as tax returns and internal accounting documentation, which was not presented at trial, will most likely prove consistent with Jerry Hill's testimony regarding his loans and the corporations involvement in the Crimson King/Maverick/Mullan real estate investments.
- n. No testimony from the corporations accountants, Magnuson McHugh, was presented at trial, which would have been relevant in reference to outstanding loans, accounts receivables of all the shareholders, and corporations informal bookkeeping practices.
- o. The plat map for Patrick Hall for Crimson King was not presented at trial, which showed the involvement of the Mullan and Maverick properties.
- p. At trial there was insufficient or no explanation of common accounting practices involving S-Corporations and the common practices through personal expenses as loans.
- q. No realtor or engineer was called at trial to confirm the connection between the Crimson King/Maverick/Mullan real estate project, and to show the effect of the economy on real estate in the 2005, 2006, and 2007 time periods.
- r. No corporate bankruptcy documentation was presented at trial, which would have shown the status of the corporation during the relevant time period.
- s. The Defendant was prejudiced at trial as the information and jury instructions did not assert specific crimes for which Jerry could focus his defense. Instead, Jerry was forced to defend a

multitude of claims against him, without an accountant, and without any other witnesses.

- t. The relationship of Crimson King/Maverick/Mullan was not effectively developed by the defense, and the expenses and monies associated with that development were a substantial portion of the monies claimed in Plaintiff's Exhibit No. 12.
- u. The jury was not informed of the nonsensical Eagle Point mortgage reimbursement in 12/15/06.
- v. The interest being charged to Jerry in Plaintiff's Exhibit No. 12 exceeded IRS regulations, and the jury was not informed of this fact.
- w. Curtis Clark work papers and the "Quickbooks" file should have been required at trial and seen by the jury.
- x. The evidence presented at the Preliminary hearing did not match the information submitted at trial.
- y. The undersigned reserves the right to supplement additional information, argument, and witnesses as the case is further analyzed.

DATED this 26 day of October, 2010.



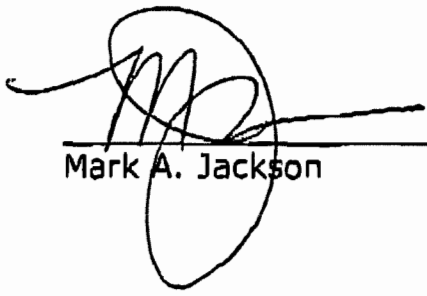
Mark A. Jackson

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 26 day of October, 2010, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- ☐ U.S. Mail
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☒ Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

ORIGINAL

STATE OF IDAHO }
COUNTY OF KOOTENAI } ss
FILED:

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

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CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF JERRY HILL

STATE OF IDAHO)
 ss
COUNTY OF KOOTENAI)

I, Jerry Hill, being first duly sworn upon oath, deposes and says:

1. I am the Defendant in the above action.
2. I make this affidavit both in support of my motion for new trial, and to provide information to the court for my retained jurisdiction and restitution hearings.
3. I had never been previously charged with a crime before this case. I have been incarcerated now since September 28, 2010. I was transferred to Boise on approximately October 6, 2010. Since I have been at the Idaho State Correctional Institute, I have completed the "New Direction" program, a cognitive behavioral treatment program. The program consisted of 6 workbooks; namely 2 books for criminal

and addictive thinking, and a book for drug and alcohol education, a book for socialization and relapse prevention, and a book for release and reintegration preparation. My last workbook was turned in on January 13, 2011. I worked hard to complete these books despite being ill twice with pneumonia while at I.S.C.I., along with bursitis/gout in my knees. My doctor doubled my blood pressure medicine due to my higher blood pressure. I have had no write-ups while at I.S.C.I., nor any confrontations with any correctional officers or inmates. This was despite the fact that our living conditions were a bit cramped with 200 inmates living in a 200' by 400' garage, with broken or leaking heaters. I followed all of the orders and did my assignments and stayed out of trouble.

4. A large part of the State's presentation against me was based upon a report from Curtis Clark, a local accountant hired by Patrick Hall and Brad Jordan. Mr. Clark asked me to come into his office in the spring of 2007, where I met with him one time. I also talked to him approximately two times on the phone regarding his questions. He told me that he was merely trying to figure out bookkeeping issues involving the company. I made various corrections to some of his data, and he told me he would call me back when he got close to finalizing his data. **He never called me back.** Instead, he published what ultimately was Plaintiff's Exhibit No. 12 at trial, which contained factual errors and incorrect assertions about a variety of matters, some of which I will address in this affidavit, and others which will be addressed by Suzanne Metzger.
5. My preliminary hearing in this matter took less than a day, and I met with Martin Neils for less than an hour or two to prepare for the preliminary hearing. My trial took four days. After the preliminary hearing and prior to trial, I met with my Mr. Neils for less than an hour

and a half. All along, Mr. Neils seemed very pleasant, but I think he was overwhelmed by this case with his other workload. He cancelled 6-7 trial preparation meetings with me, including the meeting he scheduled the day before trial commenced.

6. This was an accounting case. My education is a high school diploma and 1 1/2 years of general college classes, none of which were bookkeeping classes. I needed an accountant to help rebut the State's case which was largely based upon the accounting of Curtis Clark, who was not hired by the State, but by Patrick and Brad. Mr. Neils told me at least four times that he was going to get me an accountant, as well as an investigator, but he never did. We went to trial without an accountant or any other witness who had knowledge of the company. I had asked Mr. Neils before trial to contact Ellie Primozich, the former bookkeeper, as well as the accountants at Magnuson McHugh, who did the JHH accounting work, but he never did.
7. At the end of the preliminary hearing the judge decided there was enough evidence to go forward based upon the credit card purchases of a) a generator, b) my LA Weight Loss program, and c) my Spokane Chief's hockey tickets/box. These three items totaled less than \$8,000.00. I sensed at trial that Mr. Neils was primarily preparing for these three issues, as he told me several times during trial that the other documentation/accounting documents being presented "did not matter". Instead, it turned out that numerous claims were being made against me at trial for which I was unprepared to rebut, including, but not limited to, claims that I took money from JHH relating to the Post Falls development (which included the Crimson King Estates project), that I was "trading checks" within the company, claims that I took money from the vending machine, claims of Costco purchases by my secretary, and various others. In sum, I did not get an adequate

opportunity to explain all the various different charges and wrongdoings which were being thrown at me during trial.

8. After trial the prosecutor made a motion/request for restitution of approximately \$354,000.00 based upon the Curtis Clark memo which was never adequately challenged. I again told Mr. Neils that we needed to get an accountant to explain this entire situation, and he again agreed that one was needed. Mr. Neils told me his office used an accountant named "Suzanne" in prior cases. Mr. Neils also said that he would contact Tom Baker, a local accountant who assisted Mr. Jackson during his representation of me. Mr. Neils requested continuances of the sentencing hearings to get an accountant, but he did not obtain one. I finally wrote the court a letter asking for a new attorney, and at a hearing the court ordered Mr. Neils and I to go speak with head Public Defender about obtaining an accountant. On our way out of court, Martin told me "Jerry, if I get you an accountant will you keep me as your attorney?" and I told him I would. We went directly back to his office from court. Martin then left the room and met with his boss for 10-15 minutes (without my presence) and returned and told me he got the approval to get me an accountant. Still no accountant was obtained. Finally, I was in his office the morning of the actual sentencing, and Martin called "Suzanne" for the first time that morning. It was during that conversation that it was discovered that the "Suzanne" he was speaking about was the same Suzanne Metzger at MM that had worked for JHH while I was at JHH. Suzanne told Martin in that phone call that she would need 4-6 weeks to look over the documentation to prepare. Martin then said that he would try to get the judge to postpone the sentencing again, but that did not work.

9. The amount of documentation presented by the State in this case was

enormous. Mr. Jackson informs me that the prosecutor provided eight different supplements to discovery in the above case prior to our trial. He asked me if I had reviewed the supplemental discovery from the State dated February 19, 2010, March 1, 2010, March 6, 2010, April, 29, 2010, May 3, 2010, May 5, 2010, May 6, 2010, and an additional set dated May 6, 2010. I understand these documents consist of approximately 4 inches of materials. In the 1.5 hours of meeting time with Mr. Neils prior to trial, I do not recall if I saw those documents, and if I did I would not have known what those documents were with respect to the vague charges against me.

10. I originally contacted Mark Jackson when I was first charged in this case. He sent the prosecutor a letter (which is attached and incorporated hereto as Exhibit "A") at the time the State originally dismissed the case. **(Please note that all exhibits to this Affidavit are set forth in large bold print to distinguish them from other prior exhibit markings).** When the State re-filed the complaint, I could not afford a retainer for Mr. Jackson, so I obtained a public defender. I had assumed all along before trial that Mr. Neils had the letter and attachments, but he only obtained such letter in the last 7-10 days before trial after he called Mr. Jackson. As will be discussed hereafter, it is noteworthy that almost every document attached to the letter was not used at trial.
11. At trial the State introduced approximately 20 exhibits, and we only introduced one exhibit consisting of a single page. I had discussed the various documents with Mr. Neils that were important, but he chose not to use them, or he did not understand their significance. There are simply many documents that the jury did not see. The following documents, Exhibits B- N were not used on my behalf, which I believe would have helped aid the jury in explaining this case. Mr. Neils had

some of these documents, others were acquired before sentencing, and others after sentencing.

- a. **Exhibit B**-This is a true and correct copy of JHH spreadsheets showing, among other things, the "check trading" **by myself, Patrick, and Brad**, in 2004, 2005, and 2006. At trial, the jury was told that I traded checks in an apparently evil way to show some evil mind set on my part. This was never explained at trial, and such "check trading" was even referenced at trial as being "check kiting". This "check trading" was merely when myself, Patrick, and Brad needed to deposit monies into JHH to cover bank account shortages, and soon thereafter they were paid back by the company. Exhibit B shows that all three shareholders "traded checks" with the company, which I do not believe the jury understood. As an example, on the third page of Exhibit B Brad Jordan wrote a check for \$23,000.00 on 4/6/05, and received back 2 checks on 4/7/05 totaling \$23,000.00. The "check trading" was used against me at trial with the inference that it was wrong, when in fact all three of us were doing the same thing to make sure funds were in the company accounts to pay liabilities. The page of Exhibit B with my name contains the same check trading examples, in addition to a compilation of the Mullan/Maverick loans, which was part of a JHH project, which is explained hereafter, or in the Affidavit of Suzanne Metzger.
- b. **Exhibit C** -This is a true and correct copy of a \$2,000.00 check I found in my records which was not referenced on Curtis Clark's Exhibit No. 12. It was paid by me to GMAC for an advance. (Exhibit No. 12 was the main exhibit used at trial prepared by Mr. Clark).

- c. **Exhibit D** -This document shows the Crimson King sale prices for lots, as well as Patrick Hall's name located on the Ballard and Maverick properties. The second page of this exhibit further shows that Maverick was a JHH project all along, as an engineering company even referenced "Patrick Hall, 12th Street Development" on the document, which was a preliminary drawing of how many lots we could have created.
- d. **Exhibit E** -This was the 8/06 Deed of Trust relating to the \$295,000.00 loan JHH borrowed from Idaho Independent Bank. This Deed of Trust secured my lake home, which had at that time \$300K-\$400K equity. These monies were needed for the Crimson King Estates, which included the Mullan property, **which proves that Mullan was a JHH project.** If I were to be stealing money from the company, why would I have placed a \$295,000.00 loan against the equity of my lake house in August, 2006?
- e. **Exhibit F** -Much was made at trial about me owning the Mullan property, creating the inference that Mullan was my own property and not part of the JHH Post Falls projects. This Promissory Note related to the \$295,000.00 loan **signed by Patrick, Brad, myself, and JHH**, to help finance Crimson King Estates, which included the Mullan property. Therefore this would have helped the jury understand that Mullan was a JHH project, not my own.
- f. **Exhibit G** -This was a \$320,000.00 Promissory Note **signed by myself, Patrick, Brad, and JHH.** This was payable to Delay, which was part of the Crimson King Estates financing. Again, Crimson King included the Mullan property, further showing to the jury that Mullan was a JHH project, and should not have

- been included on Plaintiff's Exhibit No. 12.
- g. **Exhibit H** -Is the 10/06 Deed of Trust **signed by JHH and all three shareholders to Anderson** on behalf of Crimson King, again which included the Mullan property, showing this was a JHH project.
 - h. **Exhibit I** -A 10/06 Deed of Trust **signed by Brad, Patrick and Jerry**, and related Borrower's Statements referencing the Yacano/Browning sale. This Deed of Trust was signed by all three shareholders, clearly showing Crimson King was entirely a JHH venture, and the Yacano/Browning sale was approved by JHH.
 - i. **Exhibit J** -This is a true and correct copy of an invoice from the City of Post Falls sent to JHH, with a map and legal descriptions showing the Mullan property. This shows that Mullan was not mine, but was considered a JHH project.
 - j. **Exhibit K** -This was a map I prepared for Mr. Neils prior to trial which he never used (the handwritten changes were made in preparation of this affidavit. This shows the entire Post Falls JHH project, including the Crimson King Estates, and our future development sites namely Ballard and Maverick.
 - k. **Exhibit L** -This Deed of Trust corresponds with Exhibit F above. JHH signed the note, and Jenny (my wife) and I signed this Deed of Trust to obtain monies for the Post Falls project. This would have shown the jury the JHH involvement in the Post Falls project. All reference to the Maverick and Mullan properties, and related loans set forth on Plaintiff's Exhibit No. 12 should not have been used against me as this project was a JHH project.
 - l. **Exhibit M** -This Settlement Statement shows the payoff from my property of \$216,231.27. Again, why would I have stolen money

- from the company if I had secured my lake home equity?
- m. **Exhibit N** -This is a plat map from Adams & Clark, Inc., the JHH engineer, showing the Crimson King Estate project. Again, Crimson King included the Lang property and the Mullan property, and the three shareholders agreed that I would purchase the Mullan on behalf of JHH. On Exhibit N I have referenced the "horizontal line" on the drawing that separated the Mullan property from the Lang property, and I have had those properties handwritten onto the exhibit to differentiate the two properties.
 - n. **Exhibit O** -This is a copy of the civil Complaint filed by JHH, Patrick Hall, and Brad Jordan against me in May, 2007. Please note the real properties referenced on the back of the Complaint as being misappropriated by me, when in fact I have explained in this affidavit what really occurred. I also understand that this civil case was dismissed in January, 2009 for failure of the Plaintiffs to comply with the order allowing their own attorney to withdraw. I have also attached the Kootenai County case log for that case to this exhibit.
 - o. **Exhibit P** -I have attached a Certificate of Completion to the "New Directions" program at the prison.
12. The crux of this case is that I am charged with taking money from JHH with criminal intent. I never took any money from JHH with any criminal intent. At my preliminary hearing, the State's case seemed to focus on my credit card charges, with such things as a hot tub, Spokane Chiefs hockey tickets, a generator, and an LA Weight Loss expense. These items totaled less than \$13,000.00. At trial, the theme changed that I stole about \$354,000.00. I felt helpless when defending against the State's case who had an accountant, and I never

did understand how the case evolved from specific credit card charges to me stealing \$354,000.00. I have since retained Ms. Metzger, who has shown that JHH owed me money at the time of trial. I believe this new evidence would make the jury more clearly understand this fact.

13. Exhibit No. 12 in the State's case was Curtis Clark's compilation claiming that I owed JHH about \$354,000.00. A large part of the monies I allegedly stole from JHH on Exhibit No. 12 related to Post Falls projects of JHH known as The Crimson King and the Maverick properties. The Post Falls real estate project to which Brad Jordan, Patrick Hall and myself became involved through JHH consisted of four parcels of property, a) the Lang property, b) the Ballard property, c) the Mullan property, and d) the Maverick property. I have attached and incorporated hereto a diagram as Exhibit K to this affidavit to try to identify and explain these properties, which was not done at trial.

All of these properties consisted of a JHH project, which the jury did not understand. During my time with JHH I never independently purchased or developed any real estate properties for my own benefit or profit. Any monies I paid relating to the Crimson King/Ballard/Maverick properties were all JHH projects. Maverick and Ballard were going to be the second phase of the Crimson King project, but that development was never started.

14. To further explain how the Post Falls development occurred, reference must be made to Exhibit K. First, in late 2004 JHH purchased 15 acres (a 10 acre parcel and a 5 acre parcel) from the Lang family in Post Falls. JHH then purchased the 10 acre Ballard property which was adjacent to the Lang property. A few months later in 2005, Post Falls Planning & Zoning told us they would not let the property be developed **unless** there was a frontage road from Mullan to 12th Street. We needed an easement across the Mullan property, which was an

adjacent property with a home site, consisting of approximately 6.5 acres. The owner of the Mullan property, Mr. Westby, would not sell us an easement, so Patrick, Brad and I discussed the fact that JHH needed to acquire the Mullan property to even commence with the Crimson King project. All three of us concluded that JHH could not afford to purchase the Mullan property given JHH's finances, as a commercial loan JHH would need to pay about 25% down. The selling price of the property was \$425,000.00, therefore, we would have needed almost \$100,000.00 which JHH did not have. Patrick, Brad and I agreed that I would attempt to get the 100% private financing and that JHH would make the payments, effectively and simultaneously purchasing the property from me, as if it was always owned by JHH. Therefore, the Mullan property was always considered JHH property, with JHH making the monthly payments. I immediately obtained the 100% financing to purchase Mullan, but we were still \$65,000.00 short as the appraisal was \$65,000.00 less than the purchase price. Brad and I then talked to Mr. Westby, the seller, and I agreed to put my lake home up as collateral for the \$65,000.00 for approximately 4 months. Patrick and Brad also agreed to this procedure. Again, the purchase of the Mullan property was a JHH venture, not my own, and my own financing was simply a way for JHH to acquire the Mullan property which was needed to build the Crimson King Estates. **The JHH Crimson King Estates project was a combination of the Lang and Mullan properties.** Without the Mullan property we could not have built the Crimson King Estates. It must also be noted that this purchase of the Mullan property was at the height of the real estate market. I placed a third deed of trust to secure the \$65,000.00 for payment within 4 months against my lake home. JHH ultimately paid the \$65,000.00 with the knowledge and

consent of Brad and Patrick. This \$65,000.00 payment is reflected as a dividend on Exhibit No. 12 to me, which is incorrect.

15. Within a few months of the Crimson King project, we learned that the Maverick property, which is a 5 acre parcel with a house, was for sale. Brad, Patrick and myself agreed that I would get a private loan if JHH would make the payments just like the Mullan property. I wanted to make sure that I was making the payments timely, as I was uncertain whether JHH would make the payments timely, which would hurt my credit. We had at least two meetings about obtaining the Maverick property and it was agreed that would be interconnected as a JHH project. Again, I purchased this property with the agreement of Patrick and Brad to help develop this entire area. We also tried to purchase the trailer park noted on Exhibit K. Please note all of the properties are closely related to each other. All of these properties were a JHH project, so it is incorrect to debit or credit them from Exhibit No. 12 with respect to me.
16. At the trial, it was not made clear about the relationship between the Crimson King Estates, the Ballard property, the Mullan property, and the Maverick property. These properties were always considered by JHH, Brad and Patrick as JHH properties, and I am not liable for the expenses relating to those corporate purchases. Had Mullan been directly owned by me for my own investment, I certainly would not have transferred Mullan back to JHH at cost. The jury did not understand this fact.
17. Brad, Patrick and myself always considered the Mullan property a corporate project, even though title remained in my name for a period of time. We even talked about this issue of my personal ownership of the Mullan property with representatives from Magnuson McHugh, including Len Hodges, Ron Bremer and/or Suzanne Metzger.

Representatives from Magnuson McHugh were always concerned about our messed up bookkeeping practices, and scolded us for the way we were doing our bookkeeping. All this was happening during the boom years of the real estate market, so I would agree that our bookkeeping practices were not organized. With respect to the Mullan and Maverick properties, I recall MM representatives telling us we should not have the loans in our own personal names (I had the Mullan and Maverick loans in my name), and all three of us had to keep it that way as it was the only way to continue this entire project, as JHH did not initially have the funds to acquire such properties from me. The jury never heard any evidence from representatives from Magnuson McHugh regarding this fact.

18. The jury never heard evidence about all of the loans owed by each of the partners to and from JHH. Hodges, Bremer and/or Metzger were also concerned about the loan amounts that we had on the books and discussed it with all 3 of us. They suggested that we get a new bookkeeper, and we hired Elle Primozich within a few months. I also insisted on hiring a new bookkeeper. Why would I have insisted on hiring a new bookkeeper if I had been stealing any monies?
19. The contractor for Crimson King Estates was J. Foote Excavation. Crimson King was subdivided into 37 residential lots and 9 commercial lots, and even though there were two technical owners at the time (myself and JHH) of the properties, it was recognized as one owner, consistent with or understand this fact.
20. The fact that the Mullan property was a JHH project and not my own individual project is further shown by the fact that I ultimately sold the Mullan acreage, now lots, which now had a listing price value of approximately \$1.9 million to JHH for approximately \$200,000.00, which was the cost.

21. At trial, evidence was introduced about the vending machine and testimony inferred that I took the cash from the vending machine. This was a surprise issue at trial. I do not recall discussing this issue with Mr. Neils. With respect to the vending machine money, this money was used for JHH Christmas parties and to reimburse JHH sales agents for gas drawing coupons that they won at office meetings. Such monies were also used for Halloween candy and petty cash for office items.
22. To further clarify the only exhibit which was introduced at trial by Mr. Neils, Defendant's trial Exhibit "A". When I went to obtain the loan for the Maverick property with the JHH shareholder approval, the underwriter worried where I was going to get the down payment. I told her I would be getting it from JHH, who paid the down payment of \$57,808.12 on 8/31/05. I told Patrick and Brad that I needed the bank underwriter_____ letter, and this letter was generated by them. I do not believe the jury understood this fact.
23. Some of the case related to my personal purchases with company monies, when in fact the company owed me money at the time. Again, I had no criminal intent to take any monies from the company, but I was merely offsetting those purchases with money that the company owed me. This fact was not developed at trial. I continue to assert that any personal purchases by me using company funds resulted from the company owing me money. For example, I never received my entire \$50,000.00 commission check in April, 2005. Instead, JHH paid me two checks for \$19,000.00 on or about 4/28/05 and 4/29/05, leaving a \$12,000.00 balance owed for the \$50,000.00 commission check (\$50K - \$38K = \$12K). Additionally, in the spring of 2005, Patrick and I each put up approximately \$33,500.00 towards another JHH project, namely the Clayton storage project in Coeur

d'Alene (Brad could not put up any money, so Patrick and I equally divided the down payment). Patrick received repayment of his \$33,500.00 from JHH, but I never did, as there were insufficient monies. (Note that when I met with Curtis Clark, he was not even aware of these monies being owed to me). Mr. Clark inserted the \$33,500.00 into his memorandum, but at a later date. Therefore, the bottom line is that as of March/April, 2005, the company owed me approximately \$45,000.00, consisting of the above referenced \$12,000.00 plus \$33,572.85. This explains my charging of such items as the generator, hot tub, Spokane Chiefs tickets, and LA Weight Loss issues as being done by me as I knew the company owed me money. This was never made clear to the jury. Also, with respect to the Spokane Chief's tickets, I commonly invited JHH agents and their wives from the office to these games as a perk for their hard work, which I also considered a business expense. To the extent it was personal and not a business expense, the company owed me money at the time, as explained above.

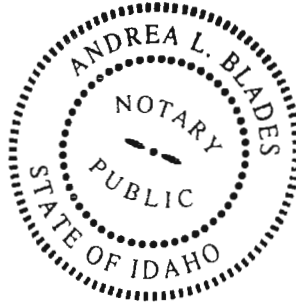
24. With respect to the 12/31/05 "suspense funds" of \$9,700.00 on Exhibit No. 12, I still do not know what that references.
25. In sum, there was sloppy bookkeeping at JHH, especially during the building boom years of 2004-2007. I accept responsibility of contributing to the confusion by making personal purchases with corporate funds; but at the same time, the company owed me monies. I had no criminal intent to take any monies from my own company. Had I had such intent, I certainly would not have secured the large amount of equity in my lake home to help JHH. I am still confused as to how the preliminary hearing focused on a few credit card purchases totaling under \$10,000.00, and how the trial then turned to asserting that I took approximately \$354,000.00 from the company, even

including taking vending machine coins. Ms. Metzger's affidavit shows at the time of trial the company owed me money with her corrections and the theme that Crimson King/Maverick were always JHH projects. I would respectfully request a new trial in this matter to allow the accounting testimony to be presented, as well as the other witnesses described herein or in the pleadings herewith.

DATED this 18 day of January, 2011.

Jerry A Hill
Jerry Hill

SUBSCRIBED AND SWORN TO before me this 18th day of January, 2011.



Andrea L. Blades
Notary Public for Idaho
Residing in: Boise, ID.
My Commission Expires: 03/04/2016.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 26 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- ☐ U.S. Mail
- ☐ Hand Delivered
- ☒ Overnight Mail
- ☐ Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816

[Signature]
Mark A. Jackson



The Law Office
of
MARK A. JACKSON, P.A.
A Professional Service Corporation
Attorney at Law

MARK A. JACKSON
Admitted in Idaho

110 E. Wallace Avenue • Coeur d'Alene, ID 83814
Phone (208) 664-3626 • Fax (208) 666-0550

Sent via hand delivery

June 10, 2008

Denise L. Rosen
Kootenai County Prosecutor
PO Box 9000
Coeur d'Alene, ID 83816

Re: State v. Jerry Hill
Case No. CR F 08-2967

Dear Denise:

I heard a rumor that you may be presenting this case to a Grand Jury instead of using the Preliminary Hearing process. Having met with Jerry for many hours now, I have sincerely concluded that **this is at best a civil dispute among business partners, not a criminal case.** This case is a combination of poor bookkeeping, informal loan repayments by the company by Jerry, disputes between partners, Curtis Clark not knowing all of the facts, and the real estate market crash of a couple years ago.

I feel so strongly about this matter that I feel I must violate defense attorney norms and present you with information at this time which raises reasonable doubt and counters criminal intent. With this information, I am hoping that you decide to dismiss this case and let the partners continue in their ongoing civil case regarding the same facts. If you will not dismiss the case, I would request that you bring forth these facts to the Grand Jury as exculpatory evidence.

1. Jerry is 50 years old, born and raised in this area, and has no prior criminal record. He has been married for 26 years, and has 3 boys, the oldest of which is a Kootenai County Deputy Sheriff.
2. There is an ongoing civil case regarding this same matter, namely, Kootenai County Case No. CV 07-3648, where the corporation, Brad Jordan, and Patrick Hall sued Jerry in a civil action. Jerry had filed

EXHIBIT "A"
HILL

bankruptcy in early 2008, but he dismissed the bankruptcy last month, so the civil case will now continue to proceed. Paul Daugharty is Jerry's civil counsel, and Paul is preparing an Answer denying any wrongdoing by Jerry, and a Counterclaim for defamation by Jerry against his partners. Extensive discovery has been drafted in the form of Interrogatories and Request for Production, which will be sent out very soon.

3. The actual police report in this matter is very brief. It basically attaches Curtis Clark's August 9, 2007 letter and documents. The primary document is Curtis' worksheet. For easier reference with this letter, I have attached Curtis' worksheet as Exhibit "A" with my own handwritten numbers on the left hand side for easier reference. Curtis even had no opinion that Jerry's actions were criminal in his August 9, 2007 letter, when he concluded **"Since we are accountants, and not lawyers, we cannot opine as to whether Jerry's actions constitute a criminal offense, or if it is just bad business and bad bookkeeping."** It must be noted that Jerry voluntarily met with Curtis without counsel. Curtis promised Jerry he would have him return after getting "other side of the story" from the partners, but Jerry was never again asked to return or rebut the final document, which included new items that Jerry did not even know about or discuss with Curtis at the first meeting. Mr. Clark's statements alone about possible bad bookkeeping and/or bad business creates a reasonable doubt.
4. This case involves monies owed to and from partners in a closely held corporation. The company openly operated with outstanding loans to the partners, which were recognized by their own accountant. Len Hodge of Magnuson McHugh was one of the accountants for the corporation. Attached as Exhibit "B" hereto is a 9/15/06 memo from Len designating shareholder loans with the corporation and the partners as of December 31, 2005. This document shows Len was preparing the 2005 tax returns and was recognizing large shareholder loans. He was not reporting criminal activity, he was just doing what many accountants have to do, namely detailing expenses paid for shareholders as shareholder loans. Exhibit "B" shows that Len calculated Patrick Hall's shareholder loan at approximately \$249,000.00, Jerry's loan at approximately \$215,000.00, and Brad's loan at approximately \$12,000.00. Len was even assigning an IRS interest rate of 3.11% for these loans. This shows the company's accountant recognized these shareholder loans, and certainly rebut's

any surprise by the other partners of large shareholder loans by Jerry in late, 2006. We are still trying to obtain the tax returns from Len and further information regarding the treatment of the shareholder loans. (I had subpoenaed Mr. Hodge to the recently scheduled preliminary hearing). I am willing to bet that he will also convey to you his problems with the company's bookkeeping. Remember, Jerry was not the bookkeeper for the company, and Patrick Hall was the treasurer. The above shareholder loan amounts at the end of 2005, which differ from Curtis Clark's December 31, 2005 totals, creates a reasonable doubt.

5. Sawnee Walker was the bookkeeper for the company for the last couple of years, and before her the bookkeeper was Ellie Primozich. Sawnee should tell you that when she took over from Ellie (who gave very little notice to resign), the books at the corporation were in disarray. She should tell you that Jerry asked her numerous times "how much does the company still owe me", and that she and Jerry would try to calculate such amounts. Such conversations with Jerry about how much money the corporation owed him in relationship to his payment of personal expenses, creates a reasonable doubt.
6. Sawnee should tell you that it was a common practice for all three partners to deposit personal checks into the corporate checking account to cover cash shortages in such account, and that corporate checks would be written back to the partners simultaneously with the deposit or within the next couple of days. Attached as Exhibit "C" are Sawnee's spreadsheets showing these maneuvering of checks by all three partners trying to resolve the cash shortages in the corporation.
7. Sawnee should know about Jerry's credit card statements and the fact that he handwrote "personal" for his personal charges on many monthly statements. Most small business owners, including myself, use credit cards for both business and personal items. If Jerry was desiring to steal from the corporation, he would not have referenced "personal" on his monthly credit card statements.
8. The police report states that Jerry told Sawnee not to talk to Patrick about money because he would blow up at her. This is out of context as much of staff was afraid of Patrick and there was even conflict between the partners and Patrick. Brad and Jerry even consulted a local attorney in 2006 for advice with regard to problems with Patrick and a buy out of Patrick's interest. Sawnee should confirm that Jerry did not instruct her to hide financial information from Brad or Patrick. Brad was always in Sawnee's office also wanting information from her

- about the accounts, especially with the real estate boom and all of their dizzying purchase and sales.
9. Please see Exhibit "D" which is an August 9, 2005 memo signed by Patrick, Brad, and Jerry stating that "If Jerry Hill needs funds from GMAC real estate for his personal account, it would not have an effect on the business in any way." Jerry needed this letter to help purchase the Maverick property, a company investment (which will be discussed later). What this memo really shows is the informality of the partners in their bookkeeping and business practices.
 10. With respect to Curtis Clark's three page calculations (Exhibit "A"), please note the following:
 - a. When Curtis met with Jerry the one time, Curtis' original calculation did not include any reference to the "Delay" \$320,000.00 Promissory Note. This Promissory Note related to the Mullan home and acreage, and ultimately consisted of 12 or 13 lots of Crimson King estates, a corporate Post Falls development. In Exhibit "A", Curtis charges a net total of approximately \$143,000.00 against Jerry for the Delay note alone. Curtis evidently is treating the Delay note as Jerry's loan, yet it was really a company loan critical to the company's development of Crimson King Estates. **The Note itself, Exhibit "E" hereto, was signed both by the corporation and the individual partners.** My handwritten numbers on Exhibit "A" 117, 126, 133, 141, 145, 151, 152, 159, 163, and 181 are charges and credits against Jerry for the Delay Note totaling approximately more than \$143,000.00 I have numbered my own attached worksheet as Exhibit "E". The issue of the Delay Note should not be charged or credited against Jerry as this is clearly a corporate project which was a part of Crimson King Estates, LLC consisting of approximately 36 lots. We also cannot forget that Jerry is still personally liable on the Delay note.
 - b. In number 182 of Exhibit "A", Jerry is charged \$65,638.93. Again, the Anderson Promissory Note related to the Crimson King subdivision, a company project. I have attached as Exhibit "F" a copy of the Anderson Promissory Note for \$249,000.00, which was **signed only by the corporation** (and all three officers). If Jerry owes \$65,638.93 of the \$249,000.00 Promissory Note, where is the note to this effect?
 - c. Attached as Exhibit "G" is a Promissory Note **signed only by the corporation** (all three officers) for **\$295,000.00**. There is

approximately \$289,000.00 still owing on this note. Also attached as part of Exhibit "G" is a deed of trust securing the entire note to Jerry's equity in his Lake Coeur d'Alene property. It must be noted that this note was signed in September, 2006, and that Patrick refused to secure his own property for this note. The monies received in this loan were directly deposited into the corporate checking account. **Please note this \$295,000.00 security against Jerry's lake home is not referenced anywhere on Curtis Clark's worksheet.** Therefore, \$295,000.00 of equity in Jerry's home has been secured to pay a corporate debt. Alternatively, if the corporation does not pay the note, and it is paid from Jerry's equity in his home, then these would be monies owed to Jerry by the corporation. Why is this not referenced on Exhibit "A"? (Jerry had previously also placed a \$65,000.00 lien against his lake property to help with a corporate debt at the time). Why would Jerry be stealing money from the corporation and voluntarily securing \$295,000.00 loans against his residence? This certainly creates reasonable doubt.

- d. On line 15 of Exhibit "A", Jerry is charged monies and Curtis Clark noted "per Magnuson McHugh something to do with Investment in NW Partners". What Curtis does not reference is that Investments Northwest, LLC, a limited liability company which was owned by Brad and Jerry, loaned the corporation \$75,000.00 in March, 2003. This money was loaned because GMAC was \$75,000.00 short in their Washington Trust Bank checking account. Why is \$37,500.00 not referenced on Exhibit "A" as a credit due to Jerry?
11. Jerry purchased the Mullan property to help finalize the company development of the corporate Crimson King Estate project as it needed an easement to satisfy city frontage road requirements. This was purchased by Jerry personally (and with the approval of the other partners) to obtain a better interest rate and no down payment. This was clearly a corporate project. Ultimately Jerry sold the Mullan property to the corporation for approximately what he paid for it, which is also consistent with it being a corporate project. Jerry sold twelve of the lots to the corporation for approximately \$200,000.00. Those same lots were then listed by the corporation for approximately \$140,000.00 to \$160,000.00 **each**. Therefore, the total listing price for the twelve lots was \$1,800,000.00. I have attached as Exhibit "H" a listing sheet for the Crimson King Estate lots. If Jerry was intent on

taking money from the company, why in the world would he have sold the Mullan lots to the corporation for approximately \$17,000.00 each when they were going to be listed for approximately \$150,000.00 each?

12. In 2005, Patrick and Jerry each invested \$33,572.00 of their own monies for the purchase of the Clayton commercial property. The corporation repaid Patrick his \$33,572.00 in one lump sum. Exhibit "A" confirms Jerry never received such a lump sum payment which is another demonstration that the corporation owed Jerry monies, which explains him having the corporation pay some personal expenses as part of the loan repayment.
13. If Jerry was stealing from the corporation by paying personal credit card charges, why would he have referenced "personal" on these monthly credit card statements? (That was Jerry's writing on such statements).
14. Note that Curtis Clark charged Jerry more than \$21,000.00 for interest at 15% on Exhibit "A". Note that there is no written agreement for such a rate, nor is there any Idaho statutory rate to that effect. Again, it must be noted that their own accountant, Len Hodge, was charging the shareholders 3.11% internally for loans to be consistent with IRS guidelines.
15. There are even objective disparities in the civil claims being made against Jerry. In the civil complaint by Brad, Patrick, and the corporation against Jerry in Kootenai County Case No. CV 07-3648, paragraph No. 18 alleges that "While an officer and director of the CORPORATION, defendant Jerry A. Hill breached his fiduciary duty to the CORPORATION and its shareholders by purchasing the real property identified in **Exhibit "1"** in direct competition and interference with the business of the CORPORATION." Exhibit "1" to the complaint describes the "Maverick house", a house and 5 acres located in Post Falls adjacent to 10 acres the corporation already owned, and very close to the Crimson King Estate subdivision. The Maverick property was purchased in 2005 by Jerry, with Brad and Patrick's knowledge and approval, so the corporation could better develop it's adjacent 10 acres already owned by the corporation. Attached hereto as Exhibit "I" is a plat map prepared for Patrick Hall by INC, a local engineering firm, showing the future subdivision of **both the Maverick and the adjacent 10 acres**. The Maverick property is lot 48 of Exhibit "I". How can the corporation possibly say that Jerry purchased the property without their approval when the corporate

- payments for such property were being made through the corporate checking account and Patrick was developing plat maps for the property?
16. The civil complaint also alleges Jerry misappropriated corporate funds to buy the Maverick property. Number 96 on Exhibit "A" shows the corporation paying \$57,808.12 for the Maverick property on 8/31/05, and charging it to Jerry. Again, this was a corporate project.
 17. The civil complaint alleges in paragraph No. 19 that Jerry "misappropriated and used" corporation assets to remodel his lake home. This too is ridiculous given the \$295,000.00 Deed of Trust currently in effect against his home, as stated above.
 18. We have found other checks written by Jerry to the corporation which are not even referenced on Exhibit "A". See the check attached hereto as Exhibit "J".

In summary, I believe that the other partners are using the prosecutor's office to prosecute their civil case. This was a company caught up in the real estate boom a couple years ago, and this company was buying, selling, and developing property in a whirlwind fashion. One Post Falls subdivision, Crimson King Estates, now sits vacant with almost every lot for sale. The other partners are attempting to use Jerry as the scapegoat for a disorganized bookkeeping system by all partners. The primary emphasis of the whole investigation has been Curtis Clark's letter and summary (Exhibit "A") which is both incomplete and concludes that he had no opinion as to whether the matter was criminal or just bad business and bookkeeping. This case is ripe with reasonable doubt. A criminal trial will appear like a civil trial and take weeks to try as the entire financial and bookkeeping procedures of the corporation will be examined. This was a corporation whose own accountant recognized shareholder loans. This was not stealing by Jerry, but borrowing money from the corporation, or off-setting corporate monies owed to Jerry. The charges against Jerry on Exhibit "A" for the Delay note, Anderson note, and Maverick purchase, alone total most of the monies claimed against Jerry. When the \$295,000.00 security against his house is added to the above notes, all of the shareholder loan issue disappears against Jerry. I strongly urge you to let the parties battle this out in the civil arena. If you will not dismiss the case, I would ask that you present the above information before the grand jury.

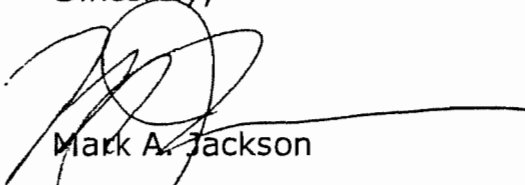
Denise L. Rosen

June 10, 2008

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If you have any further questions, please give me a call. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark A. Jackson', with a long horizontal line extending to the right.

Mark A. Jackson

kk
Enc.

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
12/31/2002		Opening Balance				
01/01/2003	30088	loan	WTB-Genl Ckg Acct #991: Shareholder Loans		1,500.00	1,500.00
02/03/2003	30172	Loan	WTB-Genl Ckg Acct #991: Shareholder Loans		300.00	1,800.00
03/12/2003	30467	shareholder loan	WTB-Genl Ckg Acct #991: Shareholder Loans		1,000.00	2,800.00
04/11/2003	1046	repay portion of \$37,500	IIB-Ckg 38447	Jerry (His share of investment)	2,100.00	4,900.00
04/12/2003	1096	Hill's personal groceries	IIB-Ckg 38447	Jerry (His share of investment)	664.85	5,564.85
04/30/2003	31252	cleared 5/2/03	IIB-Ckg 38447	Disbursements	1,200.00	6,764.85
05/05/2003	31296	cleared 5/6/03	IIB-Ckg 38447	Disbursements	2,500.00	5,264.85
05/12/2003	31350	CLEARED 5/13/03	IIB-Ckg 38447	Disbursements	2,500.00	11,764.85
09/19/2003	32702	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,500.00	13,264.85
09/25/2003	32727	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,000.00	14,264.85
11/03/2003	33165		IIB-Ckg 38447	Disburse-Hill	3,000.00	17,264.85
12/02/2003	33445		IIB-Ckg 38447	Disburse-Hill	3,000.00	20,264.85
12/18/2003	33537	Jerry Hill	IIB-Ckg 38447	Disbursements	2,500.00	22,764.85
12/31/2003		Per Magnuson McHugh something to do with Investment in NW Partners			19,000.00	41,764.85
		Total 2003 Jerry Hill Shareholder activity			46,264.85	
12/23/2004	Deposil	Christmas Auction	IIB-Ckg 38447	Hill, Jerry	(1,500.00)	40,264.85
01/02/2004	33660	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	1,000.00	41,264.85
02/26/2004	34137	Advance	IIB-Ckg 38447	Hill, Jerry	2,500.00	43,764.85
03/12/2004	34264	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	630.00	44,394.85
04/23/2004	34709	Lowes	IIB-Ckg 38447	Hill, Jerry	630.00	45,024.85
05/26/2004	34910	ADVANCE	IIB-Ckg 38447	Hill, Jerry	1,200.00	46,224.85
09/10/2004	35822	hdepol	IIB-Ckg 38447	Hill, Jerry	400.00	46,624.85
12/30/2004	37202	Disbursement	IIB-Ckg 38447	Disburse-Hill	4,000.00	50,624.85
12/31/2004		Eagle Point Personal Credit Card Charges			210.93	50,835.78
		Total 2004 Jerry Hill Shareholder activity			9,070.93	
01/01/2005		Reclassify 12/31/04 Check #37202			(4,000.00)	46,835.78
01/13/2005	37328		IIB-Ckg 38447	Hill, Jerry	1,200.00	48,035.78
01/14/2005	7424	Payment for American Express	IIB-Ckg 38447	Hill, Jerry	2,119.67	51,155.45
01/14/2005		Deposit Pmt for American Express	IIB-Ckg 38447	Hill, Jerry	(1,619.67)	49,535.78
01/14/2005		Deposit	IIB-Ckg 38447	Hill, Jerry	(27,000.00)	22,535.78
01/25/2005	7425	Personal American Express	IIB-Ckg 38447	Hill, Jerry	630.80	23,166.58
02/28/2005	36633	Lowes PFS Office	IIB-Ckg 38447	Hill, Jerry	630.00	23,796.58
03/02/2005	777EP	PURCHASE OF 119 W CLAYTON AVE	119 W CLAYTON	Hill, Jerry	(33,572.85)	(9,776.27)
03/04/2005	7432	Deposit Shareholder Receivable	IIB-Ckg 38447	Hill, Jerry	(6,000.00)	(15,776.27)
03/07/2005	37848	Linda Browning Interest for Jerry	IIB-Ckg 38447	Hill, Jerry	437.50	(15,338.77)
03/10/2005	37848		IIB-Ckg 38447	Hill, Jerry	7,000.00	(8,338.77)
03/11/2005	37836		IIB-Ckg 38447	Hill, Jerry	(26,000.00)	(34,338.77)
03/14/2005	7218	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	26,000.00	(8,338.77)
03/17/2005	37867		IIB-Ckg 38447	Hill, Jerry	1,800.00	(6,538.77)
03/21/2005	37910		IIB-Ckg 38447	Hill, Jerry	(32,500.00)	(39,038.77)
03/21/2005	7219	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	32,500.00	(6,538.77)
03/22/2005	37935		IIB-Ckg 38447	Hill, Jerry	700.00	(5,838.77)
03/24/2005	37930		IIB-Ckg 38447	Hill, Jerry	1,000.00	(4,838.77)
03/28/2005	37953		IIB-Ckg 38447	Hill, Jerry	26,000.00	21,161.23
03/29/2005	38009		IIB-Ckg 38447	Hill, Jerry	(40,000.00)	(18,838.77)
03/31/2005	7540	Deposit Hill, J			85.96	(18,752.81)
03/31/2005		Eagle Point Personal Credit Card Charges			17,581.00	(1,171.81)
04/04/2005	38047		IIB-Ckg 38447	Hill, Jerry	22,439.00	21,257.19
04/04/2005	38048		IIB-Ckg 38447	Hill, Jerry	1,100.00	22,357.19
04/14/2005	38138		IIB-Ckg 38447	Hill, Jerry	22,336.79	44,693.98
04/19/2005	38172	Parker Toyota Jerry's Car	IIB-Ckg 38447	Hill, Jerry	(22,336.79)	22,357.19
04/19/2005	7428	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	3,500.00	25,857.19
04/22/2005	38211	Steel Structures Clayton Prop. Deposit	IIB-Ckg 38447	Hill, Jerry	24,500.00	50,357.19
04/22/2005	38212	Advance	IIB-Ckg 38447	Hill, Jerry	(28,000.00)	22,357.19
04/22/2005	7561	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	17,400.00	39,757.19
04/25/2005	38240	Commission	IIB-Ckg 38447	Hill, Jerry	(17,400.00)	22,357.19
04/25/2005	7563	Deposit Hill, J			157.31	22,514.50
04/26/2005		American Express Outbak	Payables Heading Only		19,000.00	41,514.50
04/28/2005	38265	Advance	IIB-Ckg 38447	Hill, Jerry	(50,000.00)	(8,485.50)
04/28/2005	no ck	Deposit 5-0320 Eberle/Hill Commission	IIB-Ckg 38447	Hill, Jerry	19,000.00	10,514.50
04/29/2005	38264	Advance on Deeridge	Advanta	Hill, Jerry	852.52	11,367.02
04/30/2005		Advanta			1,158.44	12,525.46
05/10/2005	38427	Countrywide Home Loan	IIB-Ckg 38447	Hill, Jerry	500.00	13,025.46
05/25/2005	38590	trade	IIB-Ckg 38447	Hill, Jerry	(450.00)	12,575.46
05/25/2005		Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	2,814.59	15,390.05
06/02/2005	38707		IIB-Ckg 38447	Hill, Jerry	7,729.81	23,119.86
06/02/2005	38708	Closing Costs 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	1,000.00	24,119.86
06/27/2005	38976	Per Jerry this should be 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	2,500.00	26,619.86
06/29/2005	38936	Charles or Connie Eberle	IIB-Ckg 38447	Hill, Jerry	(1,000.00)	25,619.86
06/30/2005	5394	Deposit Payback of EM-4229 Mullan	IIB-Ckg 38447	Hill, Jerry	2,814.59	28,434.45
06/30/2005	39019		IIB-Ckg 38447	Hill, Jerry	100.00	28,534.45
07/14/2005	38865	Linda Browning - Misc Supplies	IIB-Ckg 38447	Hill, Jerry	675.00	29,209.45
07/18/2005	39187	Local Moving Storage	IIB-Ckg 38447	Hill, Jerry	2,814.59	32,023.84
07/21/2005	39289		IIB-Ckg 38447	Hill, Jerry	(22,000.00)	10,023.84
08/05/2005	7649	Deposit	IIB-Ckg 38447	Hill, Jerry	(15,000.00)	(4,976.16)
08/05/2005	7648	Deposit				

EXHIBIT A

75	08/08/2005	39440		IIB-Ckg 38447	Hill, Jerry	1,000.00	4,023.84	
76	08/09/2005	35477		IIB-Ckg 38447	Hill, Jerry	16,000.00	20,023.84	
77	08/10/2005	39454		IIB-Ckg 38447	Hill, Jerry	12,000.00	32,023.84	
78	08/12/2005	39422	Linda Browning		Hill, Jerry	2,000.00	34,023.84	
79	08/15/2005	7656	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(15,000.00)	19,023.84	
80	08/16/2005	7657	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(5,200.00)	13,823.84	
81	08/17/2005	39552	American Express	IIB-Ckg 38447	Hill, Jerry	5,711.85	19,535.69	
82	08/17/2005	39556		IIB-Ckg 38447	Hill, Jerry	5,200.00	24,735.69	
83	08/18/2005	7656	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(20,000.00)	4,735.69	
84	08/18/2005	39547	2nd Payment	IIB-Ckg 38447	Hill, Jerry	7,050.00	11,785.69	
85	08/18/2005	39548	1st Payment	IIB-Ckg 38447	Hill, Jerry	7,950.00	19,735.69	
86	08/19/2005	7659	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(2,000.00)	17,735.69	
87	08/22/2005	7502	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(30,000.00)	(12,264.31)	
88	08/22/2005	39568		IIB-Ckg 38447	Hill, Jerry	13,689.25	5,424.94	
89	08/22/2005	39569		IIB-Ckg 38447	Hill, Jerry	6,810.75	12,235.69	
90	08/23/2005	39584		IIB-Ckg 38447	Hill, Jerry	2,814.59	15,050.28	
91	08/23/2005	39589		IIB-Ckg 38447	Hill, Jerry	17,350.00	32,400.28	
92	08/23/2005	39590		IIB-Ckg 38447	Hill, Jerry	12,650.00	45,050.28	
93	08/24/2005	39580		IIB-Ckg 38447	Hill, Jerry	2,000.00	47,050.28	
94	08/24/2005	39620	for Lincolnway equipment	IIB-Ckg 38447	Hill, Jerry	3,500.00	50,550.28	
95	08/26/2005	39635	Past commissions due	IIB-Ckg 38447	Hill, Jerry	65,361.51	115,911.79	
96	08/31/2005	39629	IIB - Maverick Property	IIB-Ckg 38447	Hill, Jerry	57,808.12	173,719.91	Maverick
97	10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	175,932.84	Maverick
98	10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	178,367.84	
99	11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	180,580.77	Maverick
100	11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	1,830.00	182,410.77	
101	12/01/2005		Misc Charges - Coded to Expense in 05, but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	1,000.00	183,410.77	
102	12/28/2005		Wife's Purchase on Credit Card Coded to Expense in 05, but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	180.58	183,591.35	
103	12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	185,804.28	Maverick
104	12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.42	188,239.70	
105	12/30/2005		Best Buy & Wood Furniture - Coded to Expense in 05 but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	3,787.60	192,027.30	
106	12/31/2005	1161EP	Taxes Filed Per CPA		Suspense Funds	6,720.25	201,747.55	
107	12/31/2005	1163 EP	Journal Entry Per CPA		12th Ave Post Falls	(1,000.00)	200,747.55	
108	12/31/2005	1164EP	To accrue interest per CPA at 3.11%		Interest Income	2,798.53	203,546.08	
			Total 2005 Jerry Hill Shareholder activity			152,710.30		

09	01/01/2006		Jerry's share of interest owed to Linda for '05		Maverick Expenses	2,939.09	206,485.17	
10	01/01/2006		05 Water Bill Maverick		Maverick Expenses	12.69	206,497.86	
11	01/01/2006		05 Cleaning and Ed Yacoco fees		Maverick Expenses	711.26	207,209.12	
12	01/01/2006		Hodges Home for Maverick paint		Maverick Expenses	1,100.00	208,309.12	Maverick
13	01/01/2006		Plumbing for Maverick paid in 05		Maverick Expenses	1,000.00	209,309.12	
14	01/01/2006		Carpet One paid in 05 for Maverick		Maverick Expenses	307.44	209,616.56	
15	01/01/2006		Dishwasher/installation/financing Maverick		Maverick Expenses	4,581.97	214,198.53	
16	01/01/2006	39214	Closing Costs Maverick		Real Estate Investments	15,300.00	229,498.53	
17	01/01/2006		Electrical for Maverick		Maverick Expenses	200.00	229,698.53	Maverick
18	01/13/2006		Delay Closing Funds deposited in GMAC account			(218,500.00)	11,198.53	Debt
19	01/29/2006		Personal Charges to Credit Card		Coded to A/R Z-Jerry Hill	207.70	11,406.23	
20	01/30/2006		Cleaning Maverick		Maverick Expenses	82.50	11,488.73	Maverick
21	02/01/2006		Unknown		Coded to A/R Z-Jerry Hill	1,792.31	13,281.04	
22	02/07/2006	7713	Repayment	IIB-Ckg 38447	Owner's Capital Investment	(5,000.00)	8,281.04	
23	02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Draws Jerry Hill	5,000.00	13,281.04	
24	02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,213.00	15,494.04	Maverick
25	02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Mullian Loan	1,830.00	17,324.04	
26	02/14/2006	40993	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,292.35	22,616.39	Delay
27	02/21/2006	41030		IIB-Ckg 38447	Hill, Jerry	1,000.00	23,616.39	
28	02/27/2006	41086	COMMISSION ADVANCE	IIB-Ckg 38447	Hill, Jerry	500.00	24,116.39	
29	02/28/2006		Maverick Legal and Affidavit Fee		Maverick Expenses	118.32	24,234.71	Maverick
30	03/07/2006		Disputing Expense		Coded to A/R Z-Jerry Hill	491.08	24,725.79	
31	03/07/2006		Select Comfort		Coded to A/R Z-Jerry Hill	4,514.98	29,240.77	
32	03/09/2006	7715	Loan to Company	IIB-Ckg 38447	Owner's Capital Investment	(12,000.00)	17,240.77	
33	03/13/2006	41268	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	22,307.44	Delay
34	03/13/2006	41217	LOAN REPAYMENT	IIB-Ckg 38447	Hill, Jerry	12,000.00	34,307.44	
35	03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	39,059.51	
36	03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	41,272.44	Maverick
37	03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	43,707.44	
38	03/17/2006		Spokane Chiefs		Coded to A/R Z-Jerry Hill	500.00	44,207.44	
39	03/19/2006	41273	ADVANCE	IIB-Ckg 38447	Hill, Jerry	20,000.00	64,207.44	
40	03/27/2006		Mountain Comfort		Coded to A/R Z-Jerry Hill	3,030.30	67,237.74	
41	04/05/2006	41395	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,573.34	72,811.08	Delay
42	04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	77,563.15	
43	04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	79,776.08	Maverick
44	04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	82,211.08	
45	05/05/2006	41626	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	87,277.75	Delay
46	05/09/2006	41648	Cordova Construction Draw on Lakehome "replacement"	IIB-Ckg 38447	A/Rec	10,000.00	97,277.75	
47	05/09/2006	7758	Replace Ck #41648	IIB-Ckg 38447	Z-Hill, Jerry A/R	(10,000.00)	87,277.75	
48	05/17/2006		LA Weight Loss		Coded to A/R Z-Jerry Hill	1,104.80	88,382.55	
49	06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	90,595.48	Maverick
50	06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	93,030.48	
51	06/16/2006	41917	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	98,097.15	Delay
52	07/03/2006	42033	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	103,163.82	Delay
53	7/4/2006		Spa Highlands		Coded to A/R Z-Jerry Hill	126.00	103,289.82	
54	07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	2,752.07	106,035.89	
55	07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	108,248.82	Maverick
56	07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	110,683.82	
57	07/07/2006	41951	Linda's Payment	IIB-Ckg 38447	Hill, Jerry Mullian Loan	600.00	111,283.82	
58	07/11/2006		Eagle Point Books - Maddox, D 7376 N Davenport			350.00	111,633.82	

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08/04/2006	42242	Pymt to Alegro Escrow for Delay	Mullan	IIB-Ckg 38447	Crimson King Invest	5,573.34	117,207.16	— Delay
08/15/2006	42220	PARTIAL AUG PAYMENTS		IIB-Ckg 38447	MAVERICK LOAN	1,200.00	118,407.16	
09/01/2006		Invoice		Coded to A/R Z-Jerry Hill		85.90	118,493.06	
09/04/2006		Cash		Coded to A/R Z-Jerry Hill		585.05	119,078.11	— Delay
09/08/2006	42459	Pymt to Alegro Escrow for Delay Loan on Mullan		IIB-Ckg 38447	Crimson King Investment	5,066.67	124,147.78	
09/14/2006	42470	MORTGAGES		IIB-Ckg 38447	Hill, Jerry Maverick Loan	10,000.00	134,147.78	
09/14/2006	42470	MORTGAGES		IIB-Ckg 38447	Hill, Jerry Mullan Loan	10,000.00	144,147.78	
09/15/2006		NSF RETURNED DEPOSIT ITEM		IIB-Ckg 38447	Hill, Jerry	20,000.00	164,147.78	
09/15/2006	42502	MORTGAGES		IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,000.00	166,147.78	
09/15/2006	42502	MORTGAGES		IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,000.00	168,147.78	
09/19/2006	7853	Credit Memo		IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	148,147.78	
09/19/2006		Credit Memo		IIB-Ckg 38447	Hill, Jerry	(20,000.00)	128,147.78	
09/19/2006	7855	Replace returned Checks		IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	108,147.78	
09/20/2006	42510	REPLACE CHECK		IIB-Ckg 38447	Hill, Jerry	12,500.00	120,647.78	
09/20/2006	42511	REPLACE CHECK		IIB-Ckg 38447	Hill, Jerry	7,500.00	128,147.78	
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM		IIB-Ckg 38447	Hill, Jerry	20,000.00	148,147.78	
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM		IIB-Ckg 38447	Hill, Jerry	13,500.00	161,647.78	
09/25/2006	7857	Transfer of Money		IIB-Ckg 38447	Hill, Jerry	(18,500.00)	143,147.78	
09/29/2006	LATE FEE	Late Fees for No Statement		IIB-Ckg 38447	Hill, Jerry	149.47	143,297.25	
10/02/2006		American Express Never received statement		Coded to A/R Z-Jerry Hill		5,633.92	148,931.17	
10/03/2006	7880	Loan payment		IIB-Ckg 38447	owners capital	(15,000.00)	133,931.17	
10/16/2006		GMAC/Crimson buys Mullan From Jerry				(200,000.00)	(66,068.83)	
10/16/2006		GMAC/Crimson takes over Delay Note from Jerry				320,000.00	253,931.17	— Delay
10/16/2006		Proceeds from Anderson Note used for Hill/Browning Closing				65,638.93	319,570.10	— Anderson
11/03/2006	42736	Vending over reimbursement		IIB-Ckg 38447	Hill, Jerry	10.42	319,580.52	
11/03/2006	42736			IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,360.56	321,941.08	
11/03/2006	42736			IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,221.92	324,163.00	
11/15/2006		Jerry's Share of Interest paid to Linda				440.07	324,603.07	
12/13/2006	43023			IIB-Ckg 38447	Hill, Jerry	7,480.00	332,083.07	
12/15/2006		Jerry's Share of Interest paid to Linda				440.07	332,523.14	
12/31/2006		Interest Added @ 15%				21,529.24	354,052.38	
		Total 2006 Jerry Hill Shareholder activity				150,516.30		

EXHIBIT

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**Magnuson, McHugh
& Company P.A.**
CPAs and Consultants

1121 Mullan Avenue • P.O. Box 1379 • Coeur d'Alene, ID 83816-1379

(208) 765-9500 • (800) 735-1115 • Fax (208) 667-9174

e-mail: cpas@mhcocpa.com

Count On Us To Care

FAX TRANSMITTAL FORM

DATE: 9/15/06 TIME 8:30 a.m./p.m. (pacific)

TO: SAWDIE

COMPANY: J H & H

FAX NUMBER: (1) 292-2380

FROM: R Dodge # OF PAGES (INCLUDING COVER): 4

CLIENT #: _____ BY: _____

MESSAGE:

PLEASE GIVE THIS INFORMATION
TO THE SHAREHOLDERS.

UNLESS THE ISSUES ARE RESOLVED THIS
MORNING THERE IS NO WAY A TAX
RETURN CAN BE PREPARED TODAY

Auditing

Governmental
Commercial

Management Consulting Services

Accounting Systems
Personal Financial Planning
Budgeting & Cash Flow Analysis

Tax Services

Federal & All State Returns
Tax & Estate Planning

Small Business Services

Payroll
Payroll taxes
Accounting & Bookkeeping
Financial Statements

Cafeteria Plan (Section 125)

Administration

Computer Consulting

Litigation Services

Retirement Plan Administration

Business Valuation

Confidentiality Notice: This facsimile message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply facsimile or telephone and destroy all copies of the original message.

1121 Mullan Avenue • P.O. Box 1379 • Coeur d'Alene, ID 83816-1379 • (208) 765-9500 • (800) 735-1115 • FAX (208) 667-9174

E-mail: cpas@mhcocpa.com

Count On Us To Care

~~EXHIBIT A~~

EXHIBIT B

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Mar-05

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JORDAN HILL & HALL, INC.

ISSUES THAT ARE STILL PENDING TO CORRECT THE GENERAL LEDGERS
AND PREPARE REQUIRED CORPORATE INCOME TAX RETURN

The items that are listed below must be resolved before I can prepare the required adjusting entries to correct the general ledger and then prepare an income tax return.

If it is necessary I am available to met with you today.

EAGLE POINT:

Shareholder Receivable Jerry Hill – This account recognizes a receivable from Jerry for \$12,306.89. The major portion of the amount has been recorded from a journal entry date 4/30/05 for \$12,000. The detailed entry does not provide documentation that tells what created this receivable or what account was the offsetting credit. If there is a valid receivable from Jerry to write it off is not fair to the other shareholders. It is my understanding that Jerry does not believe he owes the \$12,000. Either documentation should be provided that supports that there is a receivable or the shareholders should agree to write it off. If the receivable is written off we need documentation that an error was made in the recording of a revenue item or the IRS on audit will not allow it. The IRS would take the position that there has been a dividend distribution.

GMAC REAL ESTATE NORTHWEST:

Highway 41 Property – The general ledger documents the purchase and improvements to this property. It also documents that there has been a sale of part of this property. The recording of the sale does not appear to be complete in that there isn't complete accounting for the cash that should have been received. I have provided detail summaries to Sawnie to see if she can determine if the postings have been made and if the cash was received.

In addition, I have been told that there is an agreement that additional improvements are required on the property and that these have been made in 2006. I need to obtain a copy of this agreement and a listing of the additional cost that have been incurred or are still required. Also, I need to know what portion of the property has been sold and what costs should be allocated to the part that has been sold.

Shareholder loans – When questioning the recorded balances in the shareholder receivable accounts one of the responses has been "Owners say they do not owe". The general ledger doesn't support this position. I have attached a summary of the recorded balances for each share holder loan. Most of the balances related to Jerry have occurred during the current year and relate to property that he owns but the corporation is paying out cash for either the purchase or for improvements. Most of the balance for Patrick is a carryover from prior years with the current year showing a decrease. The IRS has a requirement that interest must be charged on related party loans the minimum rate for the

EXHIBIT B

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year 2005 is 3.11%. The corporation can charge a higher rate and there should be corporate documents that state what the rate of interest to be charged is.

Dividend – The S-corporate rules require that dividends be distribution in ratio to the stock ownership or the S-election is loss. Accordingly, I have adjusted the dividends with offsets to the draw accounts so that all three shareholders show equal dividends at \$41,125.19 each. As in prior years if dividends are in excess of shareholder tax basis the excess is recognized as taxable long-term capital gains. The information to prepare the tax return is not yet complete enough to determine what is the corporate taxable income or loss.

EXHIBIT

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GMAC REAL ESTATE NORTHWEST
LISTING OF SHAREHOLDER RECEIVABLE LOANS
AS OF DECEMBER 31, 2005

ACCOUNT DISCRPTION	Brad Jordon	Jerry Hill	Patrick Hall
Maverick real estate expenses		6818.70	
Maverick other		1000.00	
Maverick costs adjusted to this account		<u>19881.97</u>	
Subtotal		<u>27700.67</u>	
Shareholder receivable	8577.90		264593.15
Maverick loan		64449.91	
Mullan loan		91049.90	
Jerry Hill other		26738.02	
Shareholder receivable other release Mason			(15000.00)
Draws adjusted	<u>4277.00</u>	<u>5720.25</u>	
Total loan balances before adjustment	12854.90	215658.75	249593.15

PATRICK HALL

Date	Ref.	Payee	Account	Memo	Decrease	Increase
12/31/04	CPA2004-13		NOTES DUE: Steamberg	(REVERSE POSTING FROM REF)	0.00	147,850.00
01/28/05	5803		CASH:IB-Ckg 38447	HALL PAYMENT ON RECEIVAB	(147,850.00)	0.00
					(147,850.00)	147,850.00
03/18/05	5275		CASH:IB-Ckg 38447	PATRICK HALL	(28,700.00)	0.00
04/23/05	37930	HALL P	CASH:IB-Ckg 38447		0.00	28,700.00
					(28,700.00)	28,700.00
04/04/05	5280		CASH:IB-Ckg 38447	PATRICK HALL	(35,250.00)	0.00
04/05/05	38071	HALL P	CASH:IB-Ckg 38447		0.00	35,250.00
04/05/05	38072	HALL P	CASH:IB-Ckg 38447		0.00	15,750.00
					(35,250.00)	35,250.00
06/08/05	38450	HALL P	CASH:IB-Ckg 38447		0.00	8,000.00
06/08/05	38455	HALL P	CASH:IB-Ckg 38447		0.00	5,000.00
06/08/05	38460	HALL P	CASH:IB-Ckg 38447 (split)		(15,000.00)	0.00
06/09/05	38462	HALL P	CASH:IB-Ckg 38447		0.00	1,000.00
					(15,000.00)	15,000.00
06/10/05	38468	HALL P	CASH:IB-Ckg 38447		0.00	8,000.00
06/17/05	5430		CASH:IB-Ckg 38447 (split)	PATRICK HALL	(8,000.00)	0.00
					(8,000.00)	8,000.00
06/18/05	5440		CASH:IB-Ckg 38447 (split)		(20,000.00)	0.00
06/18/05	38571	HALL P	CASH:IB-Ckg 38447		0.00	11,000.00
06/18/05	38572	HALL P	CASH:IB-Ckg 38447		0.00	9,000.00
					(20,000.00)	20,000.00
06/18/05			CASH:IB-Ckg 38447 (split)		(90,000.00)	0.00
06/27/05	41251	HALL P	CASH:IB-Ckg 38447 (split)	MONIES FROM SALE	0.00	90,000.00
					(90,000.00)	90,000.00
06/05/05			CASH:IB-Ckg 38447 (split)		(22,000.00)	0.00
06/10/05	38466	HALL P	CASH:IB-Ckg 38447		0.00	7,000.00
06/10/05	38467	HALL P	CASH:IB-Ckg 38447		0.00	7,000.00
06/23/05	38583	HALL P	CASH:IB-Ckg 38447		0.00	8,000.00
					(22,000.00)	22,000.00
					(367,800.00)	(367,800.00)

12/31/04 CPA2004-13	Interest Income	RECORD INTEREST RELATED TO	0.00	12,583.44
03/04/05 777EP	Real Est Investments:119 W	PURCHASE OF 119 W CLAYTON	(33,572.84)	0.00
01/13/06 5783	CASH:IB-Ckg 38447	LOAN REPAYMENT	(116,500.00)	0.00
12/31/03 713EP	Investments NW Receivable	MMC301	0.00	116,997.84
12/31/03 720EP	NOTES DUE:McCutchen	MMC308	0.00	200,000.00
12/31/03 724EP	Other Expenses:400 NW Bou	MMC314	(32,399.00)	0.00
12/31/03 737EP	Other Expenses:400 NW Bou	MMC328	(12,020.92)	0.00
12/31/03 734EP	Other Income [split]	MMC324	0.00	350.98
12/31/03 736EP	Personal	MMC327	0.00	3,140.45
12/31/03 740EP	-split-	MMC311	0.00	9,513.20
			(194,492.76)	342,585.91
				148,093.15

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BRAD JORDAN

Date	Ref.	Payee	Account	Memo	Decrease	Increase
03/18/05	3157		CASH:IB-Ckg 38447	BRAD JORDAN	10,600.00	0.00
03/17/05	3159		CASH:IB-Ckg 38447	BRAD JORDAN	27,000.00	0.00
03/21/05	31917 JORDAN, RB		CASH:IB-Ckg 38447		0.00	28,650.00
03/28/05	31982 JORDAN, RB		CASH:IB-Ckg 38447		0.00	8,850.00
					(37,800.00)	37,800.00
04/08/05	3198		CASH:IB-Ckg 38447	Brad Jordan	23,000.00	0.00
04/07/05	32102 JORDAN, RB		CASH:IB-Ckg 38447		0.00	10,500.00
04/07/05	32105 JORDAN, RB		CASH:IB-Ckg 38447		0.00	12,500.00
					(23,000.00)	23,000.00
04/28/05	3235		CASH:IB-Ckg 38447	BRAD JORDAN	8,000.00	0.00
07/20/05	32246 JORDAN, RB		CASH:IB-Ckg 38447		0.00	6,000.00
					(8,000.00)	8,000.00
02/07/06			US Bank - Crimson King	OPEN ACCOUNT	(100.00)	0.00
02/18/06	2002 JORDAN, RB		US Bank - Crimson King	REPAYMENT OF BANK OPENING	0.00	100.00
					(100.00)	100.00
03/15/06			CASH:IB-Ckg 38447 (split)	SALE OF PROPERTY	(90,000.00)	0.00
03/17/06	31252 JORDAN, RB		CASH:IB-Ckg 38447	MONIES FROM SALE	0.00	90,000.00
					(90,000.00)	90,000.00
04/20/06	32195 JORDAN, RB		CASH:IB-Ckg 38447	BRAD JORDAN	0.00	12,250.00
04/20/06	3383		CASH:IB-Ckg 38447	BRAD JORDAN	(12,250.00)	0.00
					(12,250.00)	12,250.00
06/08/06	3372		CASH:IB-Ckg 38447 (split)		(22,000.00)	0.00
06/27/06	33285 JORDAN, RB		CASH:IB-Ckg 38447	BRAD JORDAN	0.00	7,500.00
06/08/06	33426 JORDAN, RB		CASH:IB-Ckg 38447		0.00	8,500.00
06/08/06	33430 JORDAN, RB		CASH:IB-Ckg 38447		0.00	6,000.00
					(22,000.00)	22,000.00
04/15/05	3206		CASH:IB-Ckg 38447	Brad Jordan	(15,000.00)	0.00
08/06/06	3370		CASH:IB-Ckg 38447 (split)		(16,000.00)	0.00
08/03/06	33719 JORDAN, RB		CASH:IB-Ckg 38447		0.00	1,250.00
08/08/06	33449 JORDAN, RB		CASH:IB-Ckg 38447		0.00	16,250.00
08/24/06	33621 JORDAN, RB		CASH:IB-Ckg 38447		0.00	20,500.00
					(30,000.00)	30,000.00

(220,850.00)	(220,850.00)
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12/31/03	713EP	Investments NW Receivable	MMC301	0.00	108.80
02/24/04	34139 hdepot	CASH:IB-Ckg 38447	Brad Jordan	0.00	100.00
03/26/04	34433 hdepot	CASH:IB-Ckg 38447	ACCT 6035 3200 7501 3761	0.00	100.00
08/08/05	39450 JORDAN, RB	CASH:IB-Ckg 38447		0.00	13,865.55
08/10/05	39495 JORDAN, RB	CASH:IB-Ckg 38447		0.00	385.00
08/15/05	39525 JORDAN, RB	CASH:IB-Ckg 38447		0.00	3,050.00
08/15/05	39524 JORDAN, RB	CASH:IB-Ckg 38447		0.00	9,265.70
08/17/05	3386	CASH:IB-Ckg 38447 (split)	BRAD JORDAN	(8,000.00)	0.00
08/19/05	3392	CASH:IB-Ckg 38447		(20,000.00)	0.00
08/19/05	39559 JORDAN, RB	CASH:IB-Ckg 38447		0.00	7,950.85
08/22/05	3394	CASH:IB-Ckg 38447 (split)		(18,000.00)	0.00
08/24/05	39599 JORDAN, RB	CASH:IB-Ckg 38447		0.00	11,884.00
08/25/05	39627 JORDAN, RB	CASH:IB-Ckg 38447		0.00	6,335.00

(46,000.00)	52,844.90
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6,844.90

EXHIBIT C

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August 9, 2005

To Whom It May Concern:

If Jerry Hill needs funds from GMAC Real Estate for his personal account it would not have an effect on the business in any way.

Respectfully,

A handwritten signature in dark ink, appearing to be "Patrick Hall", written over a horizontal line.

Patrick Hall

A handwritten signature in dark ink, appearing to be "Brad Jordan", written over a horizontal line.

Brad Jordan

A handwritten signature in dark ink, appearing to be "Jerry Hill", written over a horizontal line.

Jerry Hill

EXHIBIT

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ALLEGRO ESCROW SERVICES, INC.

FACSIMILE TRANSMITTAL SHEET

To: Mark Jackson From: Stephanie
Company: _____ Date: 5/20/00
Fax Number: 208-666-0550 Total No. of Pages: (4)
Phone Number: _____

RE:

Notes/Comments:

Documents sent pursuant
to Jerry Hill's Request

12423 EAST BROADWAY, SPOKANE WA 99216
PHONE: (509) 926-0223 FAX: (509) 927-7753

EXHIBIT E

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October 5, 2007

To: Allegro Escrow

From: Joseph P. Delay, Delay Enterprises, LLC Washington Limited Liability Company

Re: Escrow No. 21624 - Note and Deed of Trust secured by Lots 17-20, Block one
Crimson King Estates according to the Plat recorded in the County Recorder's office in
Book J or plats page 377 Kootenai County Idaho.

You are directed to close ^{JP Delay} the above named escrow. The note and any accrued interest has
been fully ~~released~~ and satisfied.

Sincerely,

Joseph P. Delay
Joseph P. Delay
Delay Enterprises LLC

*Delivers the original note
to Crimson King marked
"Released and Satisfied in Full"
Delivers the original Deed of Trust
and the original Reconveyances
to JP Delay*

Dated 10/5/07

*Delay Enterprises LLC
JP Delay Mgr*

*Received
10/05/07
Tom Sum
Allegro Escrow*

EXHIBIT E
Page 2 of 7

10/05/07

allergo Escrow
by Jan Swann

PROMISSORY NOTE

Secured by Deed of Trust

\$320,000.00,

Kootenai County, Idaho

January 12th, 2006

We/I promise to pay to the order of: Delay Enterprises L.L.C., a Washington Limited Liability Company, Payee(s) at Coeur d'Alene, Idaho, or at such other place as Payee(s) may designate in writing, Three Hundred Twenty Thousand and 00/100's Dollars, payable in lawful money of the United States of America, with interest thereon in like money, from and after January 13th, 2006 until paid, at the rate of Nineteen (19.0 %) per cent per annum.

Principal and interest to be paid as follows:

In monthly interest only payments, with the first such payment due on the 13th day of February, 2006, and continuing to be paid in a like manner on the 13th day of each subsequent month, until January 13th 2007, at which date the entire remaining principal balance and all accrued interest shall be due and payable in full.

It is hereby acknowledged that payments on this Note are to be Interest Only and at the inception of this Note the Monthly Payment will be \$5,066.67

In the event this obligation is paid in full or in part on or prior to April 13th, 2006, the Maker agrees to pay a prepayment penalty of Three (3) Months Interest Based on the Original Principal Balance.

If any installment or portion thereof, due hereunder, is not received by the holder of this Note within Five (5) days after the due date thereof, Maker agrees to pay to Payee, in addition to the regular monthly payment, a late payment fee of Ten (10.0) % of the amount of such installment.

If the Maker hereof sells, conveys or alienates the property described in the Deed of Trust securing this Note, or any part thereof, or any interest therein, any indebtedness or obligation secured hereby (irrespective of the maturity dated expressed herein) at the option of the holder hereof and without demand or notice shall immediately become due and payable in full.

There is an existing First (1st) Deed of Trust of record, Instrument No. 1946001, records of Kootenai County, Idaho, in the amount of \$288,000.00, that should there be a breach of this First (1st) Deed of Trust, would constitute a material breach of this Note secured by the new Second (2nd) Deed of Trust.

Unless otherwise specified hereinabove; each payment shall be credited first on interest then due and the remainder on principal; and interest shall thereupon cease upon the principal so credited.

On default in the payment of this note or in the performance of any obligation in any instrument securing or collateral to it, the unpaid principal balance and earned interest on this note shall become immediately due at the election of Payee.

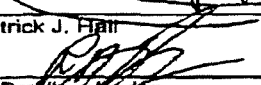
Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest. If this note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or it suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due.

If Interest is paid on the indebtedness of this Note, then interest on the debt evidenced by this note shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be cancelled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

Dated: January 12th, 2006

The undersigned are jointly and severally liable on this obligation.



Jerry Hill


Patrick J. Hall


R. Bradley Jordan


Jordan, Hill & Hall, Inc.


By: R. Bradley Jordan, President


By: Jerry A. Hill, Vice-President


Jenny Hill


P. Sue Hall


Debra A. Jordan


By: Patrick J. Hall, Secretary/Treasurer

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DO NOT DESTROY THIS NOTE: When paid in full, this Note, with Deed of Trust securing same, must be given to Trustee for cancellation before reconveyance will be made.

EXHIBIT E

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After Recording, Return To:

Allegro Escrow
12423 E. Broadway
Spokane, WA 99216
Attn: Long Term Escrow Dept.



File # D8-8544 TW

DEED OF TRUSTTHIS DEED OF TRUST, Made this 12th, day of January, 2006

BETWEEN Jerry Hill and Jenny Hill, husband and wife
Whose address is: 1900 North West Blvd. Coeur d'Alene ID 83814
Land America Lawyers Title, herein called TRUSTEE, AND
Delay Enterprises L.L.C., a Washington Limited Liability Company, whose address is: 5426 S. Quail Ridge
Circle, Spokane, WA 99223, herein called BENEFICIARY,
WITNESSETH: That Grantor does hereby Irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN
TRUST WITH POWER OF SALE, that property in the County of Kootenai, State of Idaho, described as follows and
containing not more than forty acres:

***See exhibit "A" attached hereto and made a part hereof for legal description:

If all, or any part, of the subject real property, or an interest therein is sold, transferred, or contracted to be sold or transferred in the future by agreement, without the Beneficiary's prior written consent, excluding a transfer by devise, descent or operation of law upon the death of the Grantor, Beneficiary may, at Beneficiary's option, declare all sums secured by this Deed of Trust to be immediately due and payable. - See Note for further Provisions-

This Deed of Trust, is specifically and in all respects subordinate and junior in lien to that certain First (1st) Deed of Trust, in the original amount of \$288,000.00, dated April 28th, 2005, executed by Jerry Hill and Jenny Hill, husband and wife in favor of Mortgage Electronic Registration Systems, Inc. ("MERS"), acting solely as nominee for Lender - WMC Mortgage Corp., which was recorded on April 28th, 2005 as Instrument No. 1946001, records of Kootenai County, State of Idaho. - A breach of the said First (1st) Deed of Trust shall constitute a material breach of this Second (2nd) Deed of Trust securing the Note of even date.

TOGETHER WITH rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits, for the purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of Three Hundred Twenty Thousand and 00/100's Dollars, (\$320,000.00), final payment due January 13th, 2007 and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums of the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary, and provided, further that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all such advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor Agrees:

1. To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
4. To pay: at least ten days before delinquency all taxes and assessments affecting said property, when due, all encumbrances charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of the Trust. In addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure so to pay shall constitute a default under this trust.
5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the highest lawful rate permissible under Idaho Law.
6. Should grantor fail to make any payment or to do any act as herein provided, then Beneficiary or trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or power of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, or in enforcing this deed of trust by judicial foreclosure, pay necessary expenses, employ counsel and pay his reasonable fees.

EXHIBIT E

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B. It is mutually agreed that:

1. Any award of damages shall be paid to Beneficiary who may apply or release such damages received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
3. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of the Deed of Trust and said note for endorsement, and without effecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map of plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matter or fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated. Notice of sale having been as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for such in lawful money of the United States, payable at the time of sale. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty expressed or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary, may purchase at such sale.
- After deducting all costs, fees and expenses of Trustee, and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the highest lawful rate permissible under Idaho law; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.
- Notwithstanding any other provisions hereof or of any other agreement between the parties hereto, under no circumstances shall the amount paid or agreed to be paid to such beneficiary for the use, forbearance or detention of money exceed the highest lawful rate permissible, and if a court of competent jurisdiction shall determine that the performance of any provision hereof or thereof shall result in payment of amount in excess thereof, then such provision shall be deemed appropriately modified to the extent necessary to reduce such amount to that not in excess of such rate, and any excess amount theretofore received shall be deemed applied to the principal amount of the debt.
7. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or the singular number includes the plural.
8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any proceeding in which Grantor, Beneficiary or Trustee shall be a party unless brought by Trustee.
9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a trustee or trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such trustee or trustees, and such new trustee or trustees shall succeed to all of the powers and duties of the trustee or trustees named herein.
10. Request is hereby made that a copy of any Notice of Default and a copy of an Notice of Sale hereunder be mailed to the grantor at his address herein before set forth.


Jerry Hill


Jenny Hill

STATE OF Idaho

) ss.

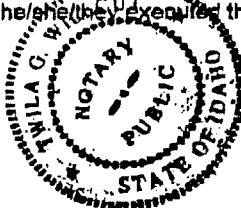
COUNTY OF Kootenai

On this 13th day of January, in the year of 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared
Jerry Hill and Jenny Hill

known or identified to me to be the persons whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Individual Notary Acknowledgment



Notary Public in and for said State

Residing at:

Dalton Gardens, Idaho

Commission Expires:

11/02/2006

EXHIBIT E

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2007588

Order No. 06-8544

EXHIBIT "A"
LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN A PORTION OF TRACTS 58 AND 59, POST FALLS IRRIGATED TRACTS, BLOCK 31, IN THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 51 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, AS SHOWN ON RECORDS OF SURVEY AT BOOK 16, PAGE 182, AND BOOK 18, PAGE 360, RECORDS OF KOOTENAI COUNTY, IDAHO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 31;

THENCE NORTH 58 DEGREES 53' 12" EAST, 58.40 FEET TO THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF STATE HIGHWAY 41 AND THE NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE;

THENCE NORTH 80 DEGREES 47' 52" EAST, ALONG THE SAID NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE, 30 FEET NORTHERLY AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 31, 611.67 FEET TO THE SOUTHWEST CORNER OF SAID TRACT 58 AND THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION;

THENCE CONTINUING NORTH 80 DEGREES 47' 52" EAST, 166.33 FEET;

THENCE LEAVING SAID NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE, NORTH 38 DEGREES 38' 07" EAST, 805.19 FEET TO A POINT ON THE NORTHERLY LINE OF SAID TRACT 59;

THENCE SOUTH 89 DEGREES 54' 25" WEST, ALONG THE SAID NORTHERLY LINE OF TRACT 59, 7.89 FEET TO THE NORTHEAST CORNER OF SAID TRACT 58;

THENCE SOUTH 89 DEGREES 58' 33" WEST, ALONG THE NORTHERLY LINE OF SAID TRACT 59, 861.46 FEET TO THE NORTHWEST CORNER OF SAID TRACT 58;

THENCE SOUTH 00 DEGREES 01' 21" EAST, ALONG THE WESTERLY LINE OF SAID TRACT 58, 628.93 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF _____

~~LandAmerica~~ Lawyers Title

2006 JAN 13 P 3:00

DANIEL J. ENGLISH

DEPUTY *pu*
FEES 9.00

RECORDS SECTION, CITY

05-3306

EXHIBIT E

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Borrower's Settlement Statement

Settlement Date:

Print Date: 10/17/2006

File No: 185518A

Officer: Mark Johnson/mj

BORROWER(S):

Crimson King Estates, LLC, an Idaho Limited Liability Company

By: Jordan, Hill & Hall, Inc., an Idaho Corporation

By: Brad Jordan, President

By: Jerry A. Hill, Vice President

By: Patrick J. Hall, Secretary / Treasurer

First American Title Company

By: Mark Johnson

EXHIBIT F

Page 1 of 12

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First American Title Company

DEED OF TRUST NOTE

\$249,000.00

Dated: 10/13/2006

Coeur d'Alene, ID

File No.: 185518A (mj)

FOR VALUE received, the undersigned promise to pay to the order: **Charles A. Anderson and Mary Lynn Anderson, the "Lender"**, or order, the principal sum of **Two Hundred Forty Nine Thousand & No/100 Dollars (\$249,000.00)** in lawful money of the United States of America, with interest thereon at the rate of **Prime Interest Rate plus Six percent, the beginning rate being Fourteen and One Quarter percent (14.25) % per annum from October 16, 2006**, in installments as follows:

Interest Rate: The interest rate being charged on this Note is adjustable based upon the Prime Interest Rate being charged by Panhandle State Bank plus 6%. The interest rate may change daily. Upon a change in the Prime Interest Rate, the Lender will immediately notify the undersigned of the change in interest rate and the date of said change. The Lender shall also advise the undersigned of the new monthly payment that will be due on the next payment due date.

Interest Reserve: The undersigned has prepaid two (2) months interest on this note to be held as an interest reserve. When the Note is paid in full, said funds will be credited to the account of the undersigned prior to the calculation of the payoff. If the Note is paid in full prior to 12/16/2006, the interest reserved, less any payments received, will be retained by the Lender as minimum payment due under this Note.

Payments: The sum of \$2,956.88, which is interest only, to be paid on or before November 16, 2006, and a like sum of \$2,956.88, which is interest only, to be paid on or before Sixteenth of each and every Month thereafter, until changed by the Lender. If on April 16, 2008 a balance is still outstanding on this Note, It will be due and payable along with any and all accrued interest.

Late Charges: If the Lender has not received the full amount of any monthly payment by the end of 15 calendar days after the due date, the undersigned will pay a late charge to the Lender. The amount of the late charge will be 10% of the overdue payment. The undersigned will pay this late charge promptly but only once on each late payment.

Lot Release Clause: The Lender will release Lots securing this Note upon receipt of a principal payment of \$83,000.00 per lot. If payments on the Note are past due at the time of the Lot payoff and release, the undersigned will pay all accrued interest and late charges in addition to the principal payment.

All payments shall be credited first to Interest and the remainder, if any, to principal.

The makers reserve the option to prepay this obligation at any time without notice or incurring a penalty for such prepayment or prepayments. All prepayments shall be applied by the holder hereof against principal in the inverse order of maturity without reducing the amount of the remaining obligatory installments as provided herein above, nor shall any such prepayments have the effect of excusing the next installment payment due.



First American Title Company

In case of failure to pay any installment when same shall become due, the Lender, at his option, may declare the whole principal hereof as immediately due and payable. In case this note is collected by an attorney, either with or without suit, the undersigned hereby agree to pay all costs and a reasonable attorneys' fee.

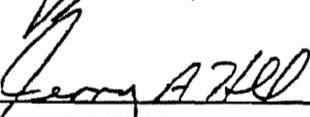
This note is secured by a Deed of Trust of even date executed by the undersigned on certain real property described therein.

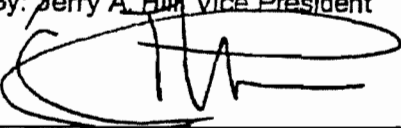
The undersigned hereby waive presentment, protest, and notice.

Crimson King Estates, LLC, an Idaho Limited
Liability Company

By: Jordan, Hill & Hall, Inc., an Idaho
Corporation


By: R. Brad Jordan, President


By: Jerry A. Hill, Vice President


By: Patrick J. Hall, Secretary/Treasurer

AFTER RECORDING MAIL TO:

Charles A. Anderson & Mary Lynn Anderson
1675 S. Cederblom Road
Coeur d'Alene, ID 83814

A.P.N.: P705031058AD

File No. 185518A (mj)

DEED OF TRUST

THIS DEED OF TRUST, made this Thirteenth day of October, 2006, between Crimson King Estates, LLC, an Idaho Limited Liability Company, as GRANTOR(S), whose address is 1900 Northwest Blvd, Coeur d'Alene, ID 83814, and First American Title Company, an Idaho Corporation, as TRUSTEE, whose address is P.O. Box 1747, Coeur d'Alene, ID 83816, and Charles A. Anderson & Mary Lynn Anderson, as BENEFICIARY, whose address is 1675 S. Cederblom Road, Coeur d'Alene, ID 83814;

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in the County of Kootenai, State of Idaho, described as follows and containing not more than 40 acres:

Legal Description attached hereto as Exhibit A, and by this referenced incorporated herein.

Lot Release Clause: In the event the herein described property, or any part hereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the grantor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, shall become immediately due and payable. The Lender will release Lots securing this Note upon receipt of a principal payment of \$83,000.00 per lot. If payments on the Note are past due at the time of the Lot payoff and release, the undersigned will pay all accrued interest and late charges in addition to the principal payment.

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EXHIBIT F
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TOGETHER WITH the rents, issues, and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing payment of the Indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of **Two Hundred Forty Nine Thousand dollars (\$249,000.00)**, final payment due **April 16, 2008** and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary, and provided, further, that It is the express intention of the parties to this Deed of Trust that It shall stand as continuing security until paid for all such advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other Insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4. To pay: at least ten days before delinquency, all taxes and assessments affecting said property, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust. In addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure so to pay shall constitute a default under this trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at eight percent per annum.

6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act pursuant to such notice.

6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at eight percent per annum; all other sums then secured hereby; and the remainder, if any, to the persons or persons legally entitled thereto.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder of the Note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be party unless brought by Trustee.

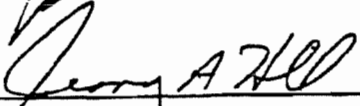
9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a Trustee or Trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the County in which new Trustee or Trustees shall succeed to all of the powers and duties of the trustee or Trustees named herein.

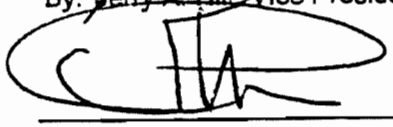
Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed to the Grantor at his address hereinbefore set forth.

Crimson King Estates, LLC, an Idaho Limited
Liability Company

By: Jordan, Hill & Hall, Inc., an Idaho
Corporation


By: R. Brad Jordan, President


By: Jerry A. Hill, Vice President


By: Patrick J. Hall, Secretary/Treasurer

STATE OF Idaho)
SS.
COUNTY OF Kootenai)

On this 19 day of October, 2006, before me, a Notary Public in and for said State, personally appeared R. Brad Jordan, Jerry A. Hill and Patrick J. Hall, President, Vice President and Secretary / Treasurer of **Jordan, Hill & Hall, Inc.**, known or identified to me to be the Corporation whose name is subscribed to the within Instrument as the Member of the **Crimson King Estates, LLC**, which is known or identified to me to be the entity whose name is subscribed to the within instrument and acknowledged to me that Jordan, Hill & Hall, Inc. executed the same in said Limited Liability Company's name.



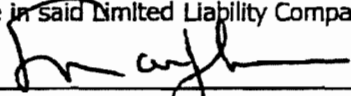

Notary Public of Idaho
Residing at: Coeur d'Alene, ID
Commission Expires: 11/22/2011

EXHIBIT A

Lots 9 - 11, Block 3, Crimson King Estates, according to the plat recorded in the Office of the County Recorder in Book "J" of Plats, Page 377, records of Kootenai County, State of Idaho.

APN: P705031058AD

THE PROMISSORY NOTE OR NOTES, AND ANY EVIDENCES OF FURTHER AND/OR ADDITIONAL ADVANCES MUST BE PRESENTED WITH THIS REQUEST	
_____ Idaho	_____ 20 _____
To: _____	Trustee
You are hereby authorized and requested to execute a reconveyance hereunder and	

The undersigned hereby certified _____	
Are the owner(s) and holder(s) of the debt mentioned in said Deed of Trust and that the same has never been	
Address: _____	By: _____
_____	By: _____
Telephone _____	_____

First American Title Company

1866 North Lakewood Drive • Coeur d'Alene, ID 83814

Borrower's Settlement Statement

Property: Lots 9 - 11, Block 3, Crimson King, Estates, Post Falls, ID 83854

File No: 185518A

Officer: Mark Johnson/mj

New Loan No:

Settlement Date:

Disbursement Date: 10/16/2006

Print Date: 10/17/2006, 11:41 AM

Buyer: Crimson King Estates

Address: 1900 Northwest Blvd., Coeur d'Alene, ID 83814

Seller:

Address:

Charge Description	Borrower Charge	Borrower Credit
New Loan(s):		
Lender: Charles A. Anderson & Mary Lynn Anderson		
New Loan to File - Charles A. Anderson & Mary Lynn Anderson		249,000.00
Loan Origination Fee 2.5000% - Charles A. Anderson & Mary Lynn Anderson	6,225.00	
Prepaid Interest - 2 Months @ \$2,956.88/Mo. - Charles A. Anderson & Mary Lynn Anderson	5,913.75	
Mrtg. Broker: Northwest Mortgage of Idaho		
Broker Origination Fee - Northwest Mortgage of Idaho	3,735.00	
Processing Fee - Northwest Mortgage of Idaho	395.00	
Shipping & Handling - Northwest Mortgage of Idaho	40.00	
Title/Escrow Charges to:		
Settlement or Closing Fee - First American Title Company	150.00	
Policy-Standard Lenders Policy - First American Title Company	75.00	
Recording Fee-Mortgage - First American Title Company	24.00	
Disbursements Paid:		
Pay Closing Costs on Hill to Crimson King Est to First American Title Company FBO: File #185518-C	184.00	
Closing funds for Yacono & Browning Sale to First American Title Company FBO: File #183172	65,494.80	
Closing fund for Delay Modification to First American Title Company FBO: File #185518-B	6,510.45	
Cash (From) (X To) Borrower	160,253.00	
Totals	249,000.00	249,000.00

Initials

EXHIBIT

F

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Page 1 of 2

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First American Title Company

1866 North Lakewood Drive • Coeur d'Alene, ID 83814

Borrower's Final Settlement Statement

Property: Lots 9 - 11, Block 3, Crimson King, Estates, Post Falls, ID 83854

File No: 185518A

Officer: Mark Johnson/mj

New Loan No:

Settlement Date:

Disbursement Date: 10/16/2006

Print Date: 10/20/2006, 10:10 AM

Buyer: Crimson King Estates

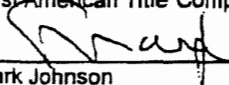
Address: 1900 Northwest Blvd., Coeur d'Alene, ID 83814

Seller:

Address:

Charge Description	Borrower Charge	Borrower Credit
New Loan(s):		
Lender: Charles A. Anderson & Mary Lynn Anderson		
New Loan to File - Charles A. Anderson & Mary Lynn Anderson		249,000.00
Loan Origination Fee 2.5000% - Charles A. Anderson & Mary Lynn Anderson	6,225.00	
Prepaid Interest - 2 Months @ \$2,956.88/Mo. - Charles A. Anderson & Mary Lynn Anderson	5,913.75	
Mrtg. Broker: Northwest Mortgage of Idaho		
Broker Origination Fee - Northwest Mortgage of Idaho	3,735.00	
Processing Fee - Northwest Mortgage of Idaho	395.00	
Shipping & Handling - Northwest Mortgage of Idaho	40.00	
Title/Escrow Charges to:		
Settlement or Closing Fee - First American Title Company	150.00	
Policy-Standard Lenders Policy - First American Title Company	75.00	
Recording Fee-Mortgage - First American Title Company	24.00	
Disbursements Paid:		
Pay Closing Costs on Hill to Crimson King Est to First American Title Company FBO: File #185518-C	184.00	
Closing funds for Yacono & Browning Sale to First American Title Company FBO: File #183172	65,398.27	
Closing fund for Delay Modification to First American Title Company FBO: File #185518-B	6,510.45	
Cash (From) (X To) Borrower	160,349.53	
Totals	249,000.00	249,000.00

First American Title Company

By 
Mark Johnson

EXHIBIT

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Page 12 of 12

Page 1 of 1

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Balance	Account	Officer	Initial
\$295,000.00	08-24-2006	12-22-2006	1391497	6076		MHC	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: JORDAN, HILL & HALL, INC.
1900 NORTHWEST BLVD.
COEUR D'ALENE, ID 83814

Lender: IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1260 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814
(208) 765-3618

Principal Amount: \$295,000.00

Initial Rate: 9.750%

Date of Note: August 24, 2006

PROMISE TO PAY. JORDAN, HILL & HALL, INC. ("Borrower") promises to pay to IDAHO INDEPENDENT BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Two Hundred Ninety-five Thousand & 00/100 Dollars (\$295,000.00), together with interest on the unpaid principal balance from August 24, 2006, until paid in full.

PAYMENT. Borrower will pay this loan in one principal payment of \$295,000.00 plus interest on December 22, 2006. This payment due on December 22, 2006, will be for all principal and all accrued interest not yet paid. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning September 24, 2006, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; and then to principal. Interest on this Note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the annual interest rate over the number of days in a year (366 during leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the NEW YORK CONSENSUS PRIME LENDING RATE AS PUBLISHED BY THE WALL STREET JOURNAL (the "Index"). The index is not necessarily the lowest rate charged by Lender on its loans. If the index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each DAY. Borrower understands that Lender may make loans based on other rates as well. The index currently is 8.250% per annum. The interest rate to be applied to the unpaid principal balance during this Note will be at a rate of 1.500 percentage points over the index, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 9.750% per annum. NOTICE: Under no circumstances will the interest rate on this Note be less than 9.750% per annum or more than the maximum rate allowed by applicable law.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IDAHO INDEPENDENT BANK, COEUR D'ALENE OFFICE, 1260 WEST RIVERSTONE DRIVE, COEUR D'ALENE, ID 83814.

LATE CHARGE. If a payment is 16 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 21.000% per annum. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including without limitation all reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including

EXHIBIT C

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costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Idaho.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of KOOTENAI County, State of Idaho.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by the following collateral described in the security instrument listed herein: a Deed of Trust dated August 24, 2006, to a trustee in favor of Lender on real property located in KOOTENAI County, State of Idaho.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

JORDAN, HILL & HALL, INC.

By: COPY

R. BRADLEY JORDAN, President of JORDAN, HILL & HALL, INC.

By: COPY

PATRICK J. HALL, Secretary/Treasurer of JORDAN, HILL & HALL, INC.

By: COPY

JERRY A. HILL, Vice President of JORDAN, HILL & HALL, INC.

RECORDATION REQUESTED BY:

IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1260 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814

WHEN RECORDED MAIL TO:

IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1260 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814

SEND TAX NOTICES TO:

R. BRADLEY JORDAN, DEBRA A. JORDAN, JERRY A. HILL and
JENNY HILL
2894 NETTLETON GULCH ROAD
COEUR D'ALENE, ID 83815

KOOTENAI COUNTY RECORDER Page 1 of 7
RAR Date 8/25/2006 Time 15:28:42
REC-REQ FIRST AMERICAN TITLE COMPANY
RECORDING FEE: 21.00
2051784000 MD

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

178610

DEED OF TRUST

MAXIMUM LIEN. The lien of this Deed of Trust shall not exceed at any one time \$295,000.00.

THIS DEED OF TRUST is dated August 24, 2006, among R. BRADLEY JORDAN AND DEBRA A. JORDAN, HUSBAND AND WIFE AS TO PARCEL 1 AND JERRY A. HILL AND JENNY HILL, HUSBAND AND WIFE AS TO PARCEL 2, whose address is 1900 NORTHWEST BLVD., COEUR D'ALENE, ID 83814 ("Grantor"); IDAHO INDEPENDENT BANK, whose address is COEUR D'ALENE OFFICE, 1260 WEST RIVERSTONE DRIVE, COEUR D'ALENE, ID 83814 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and FIRST AMERICAN TITLE INSURANCE COMPANY, whose address is 1866 N. LAKEWOOD DRIVE, COEUR D'ALENE, ID 83814 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor does hereby irrevocably grant, bargain, sell and convey in trust, with power of sale, to Trustee for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in KOOTENAI County, State of Idaho:

Parcel 1:

That portion of Government Lot 6, Section 2, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, described as follows:

Beginning at the most Westerly corner of Lot 1 of Wolfpoint, according to the plat recorded in the office of the County Recorder in Book D of Plats at Page 21, records of Kootenai County, Idaho; thence

South 73°17'16" West, along the shore line of Lake Coeur d' Alene, 80.57 feet to the northeast corner of land described in Deed to James F. Gulmond, et ux, recorded May 15, 1976 in Book 271 of Deeds at Page 364; thence

South 08°36'00" East along the Easterly line of said Gulmond land, 191.95 feet to the Southeast corner thereof; thence

North 81°02'30" East, 199.75 feet to the most Southerly corner of said Lot 1, Wolfpoint; thence

North 39°18' West, 235 feet to the POINT OF BEGINNING.

Parcel 2:

Lot 12, Block 1, Echo Point, according to the plat recorded in Book D of Plats, Page 70, records of Kootenai County, Idaho.

The Real Property or its address is commonly known as 7809 E. BRIDGER TRAIL AND 5869 S. LAKESIDE DR., HARRISON, ID 83833.

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower and Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS DEED

EXHIBIT 6

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OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower and Grantor shall pay to Lender all indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property. **THE REAL PROPERTY EITHER IS NOT MORE THAN FORTY (40) ACRES IN AREA OR IS LOCATED WITHIN AN INCORPORATED CITY OR VILLAGE.**

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Idaho law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the

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work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust, to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning Existing Indebtedness are a part of this Deed of Trust:

Existing Lien. The lien of this Deed of Trust securing the indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust,

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including without limitation all taxes, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Borrower's or any Grantor's ability to repay the indebtedness or perform their respective obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occur with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Existing Indebtedness. The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

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Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Notice of Default. In the Event of Default Lender shall execute or cause the Trustee to execute a written notice of such default and of Lender's election to cause the Property to be sold to satisfy the Indebtedness, and shall cause such notice to be recorded in the office of the recorder of each county wherein the Real Property, or any part thereof, is situated.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Notice of sale having been given as then required by law, and not less than the time required by law having elapsed, Trustee, without demand on Grantor, shall sell the property at the time and place fixed by it in the notice of sale at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser his or her deed conveying the Property so sold, but without any covenant or warranty express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness of such matters or facts. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable attorneys' fees, including those in connection with the sale, Trustee shall apply proceeds of sale to payment of (a) all sums expended under this Deed of Trust, not then repaid with interest thereon as provided in this Deed of Trust; (b) all indebtedness secured hereby; and (c) the remainder, if any, to the person or persons legally entitled thereto.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings including efforts to modify or vacate any automatic stay or injunction, appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of KOOTENAI County, State of Idaho. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning

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of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of KOOTENAI County, State of Idaho.

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means IDAHO INDEPENDENT BANK, and its successors and assigns.

Borrower. The word "Borrower" means JORDAN, HILL & HALL, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Deed of Trust.

Grantor. The word "Grantor" means R. BRADLEY JORDAN, DEBRA A. JORDAN, JERRY A. HILL and JENNY HILL.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of

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Trust. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lender. The word "Lender" means IDAHO INDEPENDENT BANK, its successors and assigns.

Note. The word "Note" means the promissory note dated August 24, 2006, in the original principal amount of \$295,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accretions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means FIRST AMERICAN TITLE INSURANCE COMPANY, whose address is 1888 N. LAKEWOOD DRIVE, COEUR D'ALENE, ID 83814 and any substitute or successor trustees.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X R. Bradley Jordan
R. BRADLEY JORDAN

X Debra A. Jordan
DEBRA A. JORDAN

X Jerry A. Hill
JERRY A. HILL

X Jenny Hill
JENNY HILL

INDIVIDUAL ACKNOWLEDGMENT

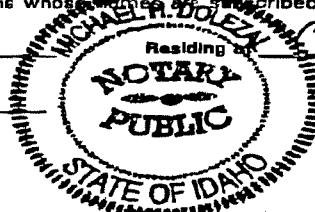
STATE OF Idaho

COUNTY OF Kootenai

On this 24 day of August, in the year 20 06, before me Michael H. Doleal, a notary public in and for the State of Idaho, personally appeared R. BRADLEY JORDAN; DEBRA A. JORDAN; JERRY A. HILL; and JENNY HILL, known or identified to me (or proved to me on the oath of Michael H. Doleal), to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

Notary Public for Idaho

My commission expires 7/10/2012



REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all Indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

Its: _____

COMMERCIAL GUARANTY

Principal	Loan Date	Maturity	Loan No.	Call Date	Account	Office	Initials

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: JORDAN, HILL & HALL, INC.
1900 NORTHWEST BLVD.
COEUR D'ALENE, ID 83814

Lender: IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1260 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814
(208) 765-3619

Guarantor: JERRY A. HILL
16778 DEER RIDGE DR.
POST FALLS, ID 83854

CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the indebtedness of Borrower to Lender, and the performance and discharge of all Borrower's obligations under the Note and the Related Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone else obligated to pay the indebtedness or against any collateral securing the indebtedness, this Guaranty or any other guaranty of the indebtedness. Guarantor will make any payments to Lender or its order, on demand, in legal tender of the United States of America, in same-day funds, without set-off or deduction or counterclaim, and will otherwise perform Borrower's obligations under the Note and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

INDEBTEDNESS. The word "Indebtedness" as used in this Guaranty means all of the principal amount outstanding from time to time and at any one or more times, accrued unpaid interest thereon and all collection costs and legal expenses related thereto permitted by law, reasonable attorneys' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdraft indebtedness, credit card indebtedness, lease obligations, liabilities and obligations under any interest rate protection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments against Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate or substitute these debts, liabilities and obligations whether voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent, liquidated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature or arising from a guaranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or writing; originated by Lender or another or others; barred or unenforceable against Borrower for any reason whatsoever; for any transactions that may be voidable for any reason (such as infancy, insanity, ultra vires or otherwise); and originated then reduced or extinguished and then afterwards increased or reinstated.

If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from Guarantor, Lender's rights under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. Guarantor's liability will be Guarantor's aggregate liability under the terms of this Guaranty and any such other unexpired guaranties.

CONTINUING GUARANTY. THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDEBTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDEBTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDEBTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDEBTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

DURATION OF GUARANTY. This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all the indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to advances or new indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new indebtedness" does not include the indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. This Guaranty will continue to bind Guarantor for all the indebtedness incurred by Borrower or committed by Lender prior to receipt of Guarantor's written notice of revocation, including any extensions, renewals, substitutions or modifications of the indebtedness. All renewals, extensions, substitutions, and modifications of the indebtedness granted after Guarantor's revocation, are contemplated under this Guaranty and, specifically will not be considered to be new indebtedness. This Guaranty shall bind Guarantor's estate as to the indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it end with the same effect. Release of any other guaranty or termination of any other guaranty of the indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. It is anticipated that fluctuations may occur in the aggregate amount of the indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of the indebtedness, even to zero dollars (\$0.00), prior to Guarantor's written revocation of this Guaranty shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the indebtedness remains unpaid and even though the indebtedness may from time to time be zero dollars (\$0.00).

GUARANTOR'S AUTHORIZATION TO LENDER. Guarantor authorizes Lender, either before or after any revocation hereof, without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time: (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the indebtedness or any part of the indebtedness, including increases and decreases of the rate of interest on the indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the indebtedness, and exchange, enforce, waive, subordinate, fall or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorses, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the date the financial information is provided; (G) no material adverse change has occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events or circumstances which might in any way affect Guarantor's risks under this

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Guaranty, and Guarantor further agrees that absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S FINANCIAL STATEMENTS. Guarantor agrees to furnish Lender with the following:

Annual Statements. As soon as available after the end of each fiscal year, Guarantor's balance sheet and income statement for the year ended, prepared by Guarantor in form satisfactory to Lender.

Tax Returns. As soon as available after the applicable filing date for the tax reporting period ended, Federal and other governmental tax returns, prepared by a tax professional satisfactory to Lender.

All financial reports required to be provided under this Guaranty shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Guarantor as being true and correct.

GUARANTOR'S WAIVERS. Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

Guarantor also waives any and all rights or defenses based on suretyship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the indebtedness; (C) any disability or other defense of Borrower, of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the indebtedness; (D) any right to claim discharge of the indebtedness on the basis of unjustified impairment of any collateral for the indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding indebtedness which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor, or both.

GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

COLLATERAL. This Guaranty is secured by a Mortgage or Deed of Trust to a trustee in favor of Lender on real property described as "Real Property located at 5869 S. LAKESIDE DR., HARRISON, ID 83833" and located in KOOTENAI County, State of Idaho, in the names of JERRY A. HILL AND JENNY HILL.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone else and all accounts Guarantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOR. Guarantor agrees that the indebtedness, whether now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim Guarantor may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shall be first applied by Lender to the indebtedness. Guarantor does hereby assign to Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in bankruptcy of Borrower; provided however, that such assignment shall be effective only for the purpose of assuring to Lender full payment in legal tender of the indebtedness. If Lender so requests, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legend that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to perfect, preserve and enforce its rights under this Guaranty.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Guaranty:

Amendments. This Guaranty, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Guaranty. No alteration or amendment to this Guaranty shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Guaranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Guaranty.

Governing Law. This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Guaranty has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Guarantor agrees upon Lender's request to submit to the jurisdiction of the courts of KOOTENAI County, State of Idaho.

Integration. Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parole evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this

EXHIBIT G

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Guaranty.

Notices. Any notice required to be given under this Guaranty shall be given in writing, and, except for revocation notices by Guarantor, shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Guaranty. All revocation notices by Guarantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Guaranty entitled "DURATION OF GUARANTY." Any party may change its address for notices under this Guaranty by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Guarantor agrees to keep Lender informed at all times of Guarantor's current address. Unless otherwise provided or required by law, if there is more than one Guarantor, any notice given by Lender to any Guarantor is deemed to be notice given to all Guarantors.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors and Assigns. Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

Waive Jury. Lender and Guarantor hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means JORDAN, HILL & HALL, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

GAAP. The word "GAAP" means generally accepted accounting principles.

Guarantor. The word "Guarantor" means everyone signing this Guaranty, including without limitation JERRY A. HILL, and in each case, any signer's successors and assigns.

Guaranty. The word "Guaranty" means this guaranty from Guarantor to Lender.

Indebtedness. The word "indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

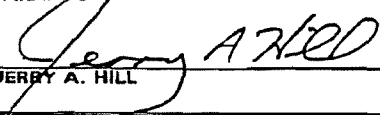
Lender. The word "Lender" means IDAHO INDEPENDENT BANK, its successors and assigns.

Note. The word "Note" means and includes without limitation all of Borrower's promissory notes and/or credit agreements evidencing Borrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for promissory notes or credit agreements.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED AUGUST 24, 2006.

GUARANTOR

x 
JERRY A. HILL

LASER PRO Lending, Ver. 8.23.10.003 Copyright National Financial Services, Inc. 1007, 2006. All Rights Reserved. • ID: F11WALANDPROBUTEDOFPLMNEO.FC 11/13/05 08-14

EXHIBIT G

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Account	1191197	JORDAN HILL HALL	Branch	1
LT			Acct Thru	05/28/2008
			Balance	289,314.96
			Status	Active

Main

JORDAN HILL & HALL INC 1900 NORTHWEST BLVD COEUR D'ALENE ID 83814-2815		TIN 82 0388627 Verified? Yes Date of Birth Home (000)000-0000 Work (208)687-1505 Ext 170 Cell (000)000-0000 Email Sewniew@gmaw.com	Interest Paid YTD 12,065.82 Interest Paid LYR 27,435.38 Interest Rate 9.2500 Interest Paid To 05/09/2008 Maturity 04/01/2008 Next Payment 04/01/2008 Payment Amount 305,949.42 Escrow Payment 0.00 Total Amount Due 305,949.42 Current Balance 289,314.96 Interest Due 1,453.85 Insurance Due 0.00 Robbies 0.00 Charges/Fees 15,180.81 Escrow Balance 0.00 Payoff Amount 305,949.42 Daily Interest 72.1192
CIF Comments		Master Plan Account 0	
Location COEUR D'ALENE Type COM TRM JR RES Officer MICHAEL DOLEZAL	Owner CORP/PTNR ASSN User Defined One N/A Payoff good Thru 05/28/2008		

History View

History

Date	Description	Amount	Balance	Reference	Principal	Interest
08/28/2006	Advance	3100.00	3,100.00	1191197 JORDAN HILL HALL	3100.00	0.00
08/28/2006	Advance	291800.00	295,000.00	ADV TO DCA 100038447 ANE	291800.00	0.00
10/09/2006	Late Charge	169.42	295,000.00	Automatic	169.42	0.00
10/13/2006	Late Charge Payment	169.42	295,000.00		169.42	0.00
10/13/2006	Interest Payment	3219.04	295,000.00	EFF 10/12/2006	0.00	3219.04
11/08/2006	Late Charge	128.87	295,000.00	Automatic	128.87	0.00
11/10/2006	BI Regular Payment	5516.10	292,086.16	From DCA 100038447 dldsqk	2920.84	2612.26
12/09/2006	Late Charge	117.04	292,086.16	Automatic	117.04	0.00
12/11/2006	BI Regular Payment	2600.00	291,914.96	From DCA 100038447 dldjohz	181.20	2418.80
12/11/2006	BI Regular Payment	2600.00	289,314.96	From DCA 100038447 dldjdpd	2600.00	0.00
01/08/2007	Late Charge	14465.75	289,314.96	Automatic	14465.75	0.00
01/01/2007	Extension	0.00	289,314.96		0.00	0.00
01/01/2007	Int Pym-No Dt	294142	289,314.96		0.00	394142
02/01/2007	Late Charge Cr Adj	117.04	289,314.96	WAIVE 12-08 LC	117.04	0.00
02/01/2007	Late Charge Cr Adj	128.87	289,314.96	WAIVE 11-08 LC	128.87	0.00
02/01/2007	Late Charge Cr Adj	14465.75	289,314.96	WAIVE 1-8 LC	14465.75	0.00
03/13/2007	Late Charge	14465.75	289,314.96	Automatic	14465.75	0.00
03/28/2007	Extension	0.00	289,314.96	EFF 03/13/2007	0.00	0.00
03/28/2007	Late Charge Cr Adj	14465.75	289,314.96	WAIVE PEREXTENSION	14465.75	0.00
03/28/2007	Int Pym-No Dt	1677.43	289,314.96	EFF 03/01/2007	0.00	1677.43
03/28/2007	Int Pym-No Dt	2241.20	289,314.96	EFF 03/01/2007	0.00	2241.20
04/02/2007	Int Pym Rev-No Dt	2241.20	289,314.96	EFF 03/28/2007	0.00	2241.20
04/02/2007	Int Pym Rev-No Dt	1677.43	289,314.96	EFF 03/28/2007 POSTED TO	0.00	1677.43
04/02/2007	Int Pym-No Dt	2241.20	289,314.96	EFF 03/01/2007	0.00	2241.20
04/18/2007	Late Charge	181.81	289,314.96	Automatic	181.81	0.00
04/24/2007	Interest Payment	3555.01	289,314.96	EFF 04/23/2007	0.00	3555.01
05/16/2007	Late Charge	57.96	289,314.96	Automatic	57.96	0.00
05/24/2007	Interest Payment	1081.88	289,314.96	EFF 05/23/2007	0.00	1081.88
06/18/2007	Late Charge	185.48	289,314.96	Automatic	185.48	0.00
06/26/2007	BI Regular Payment	2704.89	289,314.96	From DCA 100038447 ccgbAJ	0.00	2704.89
07/16/2007	Late Charge	166.18	289,314.96	Automatic	166.18	0.00
07/28/2007	Interest Payment	3245.88	289,314.96		0.00	3245.88
08/16/2007	Late Charge	123.65	289,314.96	Automatic	123.65	0.00
08/30/2007	Late Charge Payment	123.65	289,314.96		123.65	0.00
08/30/2007	Interest Payment	2272.11	289,314.96		0.00	2272.11
08/31/2007	Late Chg Pmt Rev	123.65	289,314.96	EFF 08/30/2007 REV & APPL	123.65	0.00
08/31/2007	Regular Payment	123.65	289,314.96	EFF 08/30/2007 LT PMT APPI	0.00	123.65
09/18/2007	Late Charge	14465.75	289,314.96	Automatic	14465.75	0.00
09/28/2007	Extension	0.00	289,314.96		0.00	0.00
09/28/2007	Int Pym-No Dt	3323.18	289,314.96		0.00	3323.18
10/03/2007	Late Charge Cr Adj	14465.75	289,314.96	WAIVE PERAP	14465.75	0.00
11/08/2007	Interest Payment	2827.82	289,314.96	EFF 11/08/2007	0.00	2827.82

12/10/2007
01/10/2008
02/08/2008
02/11/2008
02/25/2008
02/28/2008
02/29/2008
02/29/2008
02/29/2008
04/10/2008
05/12/2008

Interest Payment
Late Charge
Interest Payment
Late Charge Cr Adj
Interest Payment
Rate Change
Accrued Int Cr Adj
Extension
Int Pym-No Di
Late Charge
Int Pym-No Di

4310.48
14485.76
4585.76
14485.76
1807.73
0.00
3.95
0.00
482.43
14485.76
5200.00

289,314.96
289,314.96 Automatic
289,314.96
289,314.96 WAIVE PERAP
289,314.96 EFF 02/22/2008
289,314.96 9.7500-9.2500 Processing C
289,314.96 EFF Di Demand RL Chg
289,314.96 EFF 02/28/2008
289,314.96
289,314.96 Automatic
289,314.96 EFF 05/09/2008

4310.48
14485.76
0.00
14485.76
0.00
0.00
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14485.76
0.00
5200.00

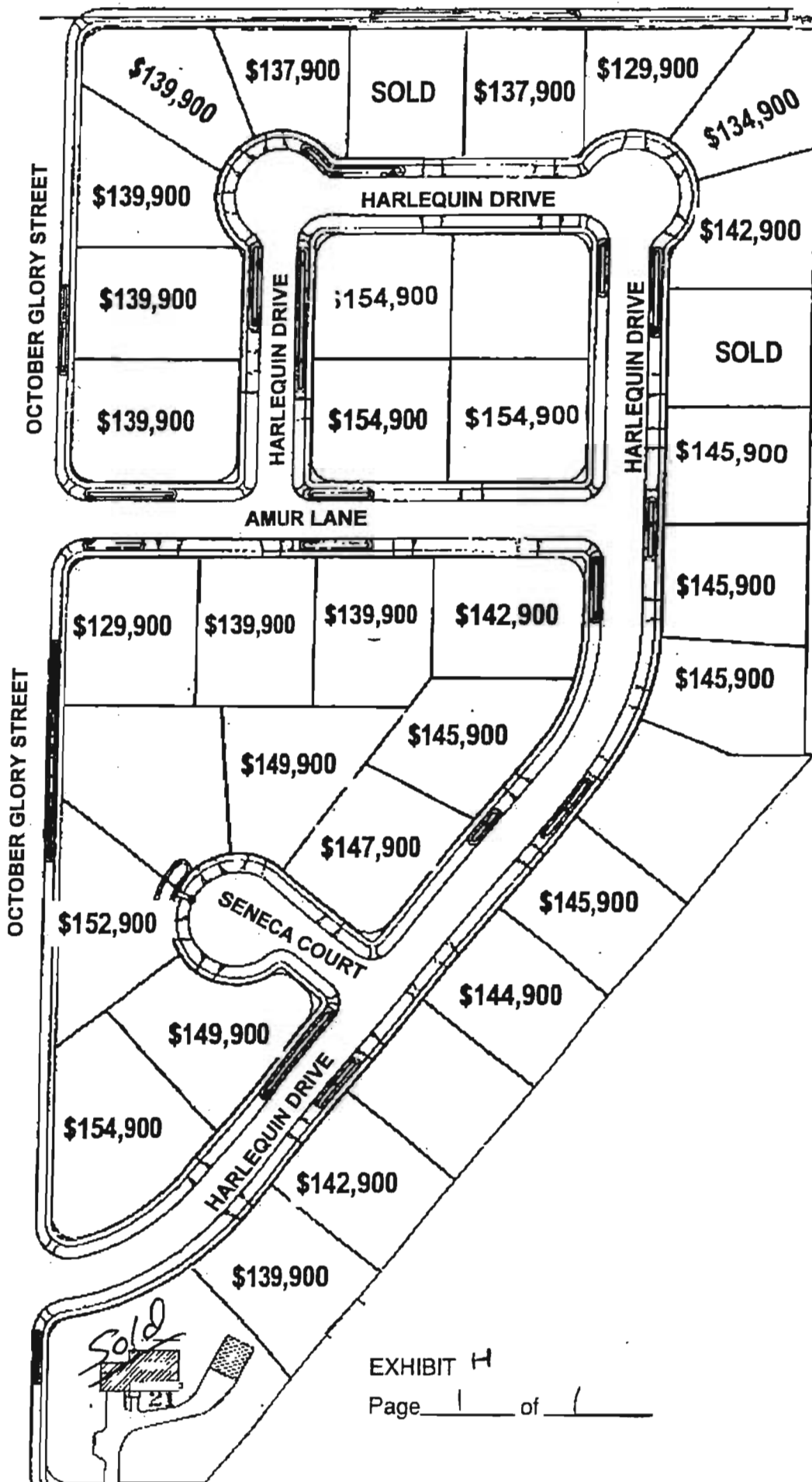


EXHIBIT H

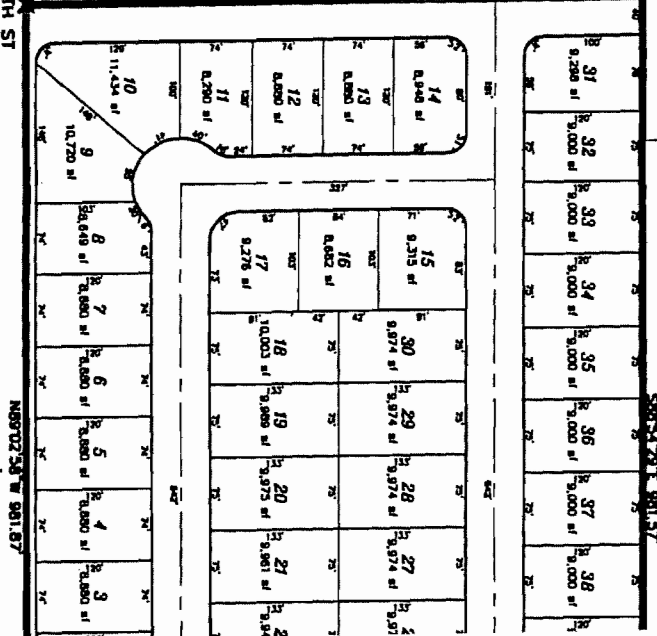
Page 1 of 1

Crimson King
Estates

EXHIBIT I
Page 1 of 1

12TH ST

N00749'22"E 637.26'



10 acres
adjoining parcel (15 ac)
Maunder property

KITTITAS VALLEY

JERRY A HILL
JENNY L HILL
513 W DAKOTA AVE
208.772.6500
HAYDEN, ID 83835

7108

DATE 2/2/04

92-371/1231 ID
96404

PAY TO THE
ORDER OF

JMAC R.E.
Two Thousand & 00/100

\$ 2000 ⁰⁰

DOLLARS

Bank of America

VALUED
Customer Since
1996

Hayden Lake 96404 P
Idaho

FOR

For Advance

Jerry A Hill

⑆ 123103716⑆ 98168 925⑈ 7108 0000200000⑈

EXHIBIT

Page 1 of 2

380

00 028 150070
02/04/04 0100033447
INDEPENDENT
BANK OF AMERICA 510-7-1500033447
125000024 E6335 01/P01 02/04/04 0100033447
02/06/04 000 0015330 001530

J

2

2

PATRICK HALL

Date	Ref.	Payee	Account	Memo	Decrease	Increase
12/31/04	CPA2004-15		NOTES DUE:Steambarge	(1) REVERSE POSTING FROM REF	0.00	147,850.00
10/28/04	5078		CASH:IIB-Ckg 38447	HALL - PAYMENT ON RECEIVAB	(147,850.00)	0.00
					(147,850.00)	147,850.00
03/18/05	5278		CASH:IIB-Ckg 38447	PATRICK HALL	(28,700.00)	0.00
03/23/05	37838	HALL P	CASH:IIB-Ckg 38447		0.00	28,700.00
					(28,700.00)	28,700.00
04/04/05	5296		CASH:IIB-Ckg 38447	PATRICK HALL	(38,250.00)	0.00
04/05/05	38071	HALL P	CASH:IIB-Ckg 38447		0.00	38,250.00
04/05/05	38072	HALL P	CASH:IIB-Ckg 38447		0.00	18,750.00
					(38,250.00)	38,250.00
08/05/05	39434	HALL P	CASH:IIB-Ckg 38447		0.00	9,000.00
08/05/05	39435	HALL P	CASH:IIB-Ckg 38447		0.00	5,000.00
08/05/05	5422		CASH:IIB-Ckg 38447 [split]		(15,000.00)	0.00
08/08/05	39462	HALL P	CASH:IIB-Ckg 38447		0.00	1,000.00
					(15,000.00)	15,000.00
08/10/05	39498	HALL P	CASH:IIB-Ckg 38447		0.00	8,000.00
08/17/05	5433		CASH:IIB-Ckg 38447 [split]	PATRICK HALL	(8,000.00)	0.00
					(8,000.00)	8,000.00
08/18/05	5440		CASH:IIB-Ckg 38447 [split]		(20,000.00)	0.00
08/19/05	39571	HALL P	CASH:IIB-Ckg 38447		0.00	11,000.00
08/19/05	39572	HALL P	CASH:IIB-Ckg 38447		0.00	9,000.00
					(20,000.00)	20,000.00
03/15/06			CASH:IIB-Ckg 38447 [split]		(90,000.00)	0.00
03/17/06	41251	HALL P	CASH:IIB-Ckg 38447 [split]	MONIES FROM SALE	0.00	90,000.00
					(90,000.00)	90,000.00
08/05/05			CASH:IIB-Ckg 38447 [split]		(22,000.00)	0.00
08/10/05	39498	HALL P	CASH:IIB-Ckg 38447		0.00	7,000.00
08/10/05	39497	HALL P	CASH:IIB-Ckg 38447		0.00	7,000.00
08/23/05	39583	HALL P	CASH:IIB-Ckg 38447		0.00	8,000.00
					(22,000.00)	22,000.00
					(367,800.00)	(367,800.00)

12/31/04	CPA2004-13	Interest Income	RECORD INTEREST RELATED T	0.00	12,583.44
03/04/05	777EP	Real Est Investments:119 W	PURCHASE OF 119 W CLAYTON	(33,572.84)	0.00
01/13/06	5783	CASH:IIB-Ckg 38447	LOAN REPAYMENT	(116,500.00)	0.00
12/31/03	713EP	Investments NW Receivable	MMC301	0.00	116,997.84
12/31/03	720EP	NOTES DUE:McCutchen	MMC308	0.00	200,000.00
12/31/03	724EP	Other Expenses:400 NW Bou	MMC314	(32,399.00)	0.00
12/31/03	737EP	Other Expenses:400 NW Bou	MMC328	(12,020.92)	0.00
12/31/03	734EP	Other Income [split]	MMC324	0.00	350.98
12/31/03	736EP	Personal	MMC327	0.00	3,140.45
12/31/03	740EP	-split-	MMC311	0.00	9,513.20
				(194,492.76)	342,585.91
					148,093.15

EXHIBIT "B"

EXHIBIT C
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HILL

(3 pgs)

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Date	Ref.	Payee	Account	Memo	Decrease	Increase
03/18/05	3157		CASH:IIB-Ckg 38447	BRAD JORDAN	(10,500.00)	0.00
03/17/05	3159		CASH:IIB-Ckg 38447	BRAD JORDAN	(27,000.00)	0.00
03/21/05	37917	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	28,850.00
03/28/05	37982	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	8,850.00
					(37,500.00)	37,500.00
04/06/05	3169		CASH:IIB-Ckg 38447	Brad Jordan	(23,000.00)	0.00
04/07/05	38102	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	10,500.00
04/07/05	38108	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	12,500.00
					(23,000.00)	23,000.00
04/26/05	3239		CASH:IIB-Ckg 38447	BRAD JORDAN	(6,000.00)	0.00
07/20/05	39246	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	8,000.00
					(6,000.00)	6,000.00
02/07/08			US Bank - Crimson King	OPEN ACCOUNT	(100.00)	0.00
02/18/08	2002	JORDAN, RB	US Bank - Crimson King	REPAYMENT OF BANK OPENING	0.00	100.00
					(100.00)	100.00
03/15/08			CASH:IIB-Ckg 38447 [split]	SALE OF PROPERTY	(90,000.00)	0.00
03/17/08	41252	JORDAN, RB	CASH:IIB-Ckg 38447	MONIES FROM SALE	0.00	90,000.00
					(90,000.00)	90,000.00
04/20/05	38195	JORDAN, RB	CASH:IIB-Ckg 38447	BRAD JORDAN	0.00	12,250.00
08/12/05	3383		CASH:IIB-Ckg 38447	BRAD JORDAN	(12,250.00)	0.00
					(12,250.00)	12,250.00
08/05/05	3372		CASH:IIB-Ckg 38447 [split]		(22,000.00)	0.00
04/27/05	38285	JORDAN, RB	CASH:IIB-Ckg 38447	BRAD JORDAN	0.00	7,500.00
08/08/05	39429	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	8,500.00
08/08/05	39430	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	6,000.00
					(22,000.00)	22,000.00
04/15/05	3208		CASH:IIB-Ckg 38447	Brad Jordan	(15,000.00)	0.00
08/05/05	3370		CASH:IIB-Ckg 38447 [split]		(15,000.00)	0.00
08/03/05	38719	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	1,250.00
08/08/05	39448	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	8,250.00
08/24/05	39621	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	20,500.00
					(30,000.00)	30,000.00
					(220,850.00)	(220,850.00)

12/31/03	713EP	Investments NW Receivable	MMC301	0.00	108.80	
02/24/04	34139	hdepot	CASH:IIB-Ckg 38447	Brad Jordan	0.00	100.00
03/26/04	34433	hdepot	CASH:IIB-Ckg 38447	ACCT 6035 3200 7501 3761	0.00	100.00
08/08/05	39450	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	13,865.55
08/10/05	39495	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	385.00
08/15/05	39525	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	3,050.00
08/15/05	39524	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	9,265.70
08/17/05	3386		CASH:IIB-Ckg 38447 [split]	BRAD JORDAN	(8,000.00)	0.00
08/19/05	3392		CASH:IIB-Ckg 38447		(20,000.00)	0.00
08/19/05	39559	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	7,950.85
08/22/05	3394		CASH:IIB-Ckg 38447 [split]		(18,000.00)	0.00
08/24/05	39599	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	11,684.00
08/25/05	39627	JORDAN, RB	CASH:IIB-Ckg 38447		0.00	6,335.00
					(46,000.00)	52,844.90
					6,844.90	

Date	Ref.	Payee	Account	Memo	Decrease	Increase
03/17/05	37218	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(28,000.00)	0.00
03/17/05	37887	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	28,000.00
					=(28,000.00)	=28,000.00
03/23/05	37218	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(32,500.00)	0.00
03/23/05	37936	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	32,500.00
					=(32,500.00)	=32,500.00
03/31/05	37540	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(40,000.00)	0.00
04/04/05	38047	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	40,000.00
04/04/05	38048	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	22,438.79
					=(40,000.00)	=40,000.00
01/25/05	37423	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(27,000.00)	0.00
03/28/05	37963	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	27,000.00
03/28/05	38008	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	28,000.00
					=(27,000.00)	=27,000.00
04/18/05	38172	JERRY HILL	CASH/IB-Ckg 38447	Jerry Hill/Parker Toyota	0.00	22,338.79
04/18/05	37428	JERRY HILL	CASH/IB-Ckg 38447	Jerry Hill	(22,338.79)	0.00
					=(22,338.79)	=22,338.79
04/22/05	38212	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	23,000.00
04/22/05	38212	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	24,500.00
04/22/05	37867	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(26,000.00)	0.00
					=(26,000.00)	=26,000.00
04/25/05	38240	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	17,400.00
04/25/05	37883	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(17,400.00)	0.00
					=(17,400.00)	=17,400.00
08/08/05	37848	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(15,000.00)	0.00
08/08/05	37849	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(22,000.00)	0.00
08/08/05	38440	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	3,000.00
08/08/05	38472	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	18,000.00
08/10/05	38454	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	12,000.00
					=(37,000.00)	=37,000.00
08/18/05	37887	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(9,200.00)	0.00
08/17/05	38558	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	9,200.00
					=(9,200.00)	=9,200.00
08/18/05	37888	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(15,000.00)	0.00
08/18/05	38547	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	17,000.00
08/18/05	38548	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	7,950.00
					=(15,000.00)	=15,000.00
08/22/05	37502	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(30,000.00)	0.00
08/22/05	38688	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	17,850.00
08/23/05	38580	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	12,650.00
					=(30,000.00)	=30,000.00
08/18/05	37887	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	(90,000.00)	0.00
03/17/05	37288	JERRY HILL	CASH/IB-Ckg 38447	MONIES FROM SALE	0.00	90,000.00
					=(90,000.00)	=90,000.00
01/02/04	33660	JERRY HILL	CASH/IB-Ckg 38447	JERRY HILL	0.00	1,000.00
08/30/05	33304	JERRY HILL	CASH/IB-Ckg 38447	PAYBACK OF EM-4228 MULLAN	(1,000.00)	0.00
08/27/05	33976	JERRY HILL	CASH/IB-Ckg 38447	EMON 117 N MAVERICK LANE	0.00	1,000.00
04/30/05 907EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	1,000.00
05/30/05 908EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	2,814.59
07/30/05 910EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	2,814.59
08/30/05 911EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	2,814.59
08/31/05 912EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	85,367.81
04/30/05 907EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	0.00
06/30/05 908EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(2,814.59)	0.00
07/30/05 910EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(2,814.59)	0.00
08/30/05 911EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(2,814.59)	0.00
08/30/05 908EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(9,544.26)	0.00
08/30/05 909EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(1,000.00)	0.00
08/30/05 908EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		(1,000.00)	0.00
08/30/05 909EP		Shareholder Receivable	Jerry RECLASS TO MULLAN LOAN		0.00	2,814.59
08/31/05 912EP		SPH	RECLASS TO MAVERICK LOAN		0.00	57,808.72
08/30/05 909EP		SPH	RECLASS TO MULLAN LOAN		0.00	7,729.61
					=(146,167.60)	=146,167.60
					(519,594.39)	(519,594.39)

JERRY A HILL
JENNY L HILL
518 W DAKOTA AVE
206.772.8800
HAYDEN, ID 83856

KITTITAS VALLEY

7108

DATE 2/2/04 65-371/1231 ID 88404

PAY TO THE ORDER OF JERRY A HILL \$ 2000⁰⁰

Bank of America

FOR Jerry A Hill

1231037161 98168 925 7108 0000200000

EXHIBIT J
Page 1 of 2

EXHIBIT "C"
HILL (2 pgs)

385 C-1



EXHIBIT

Page 2 of 2

386 C-2

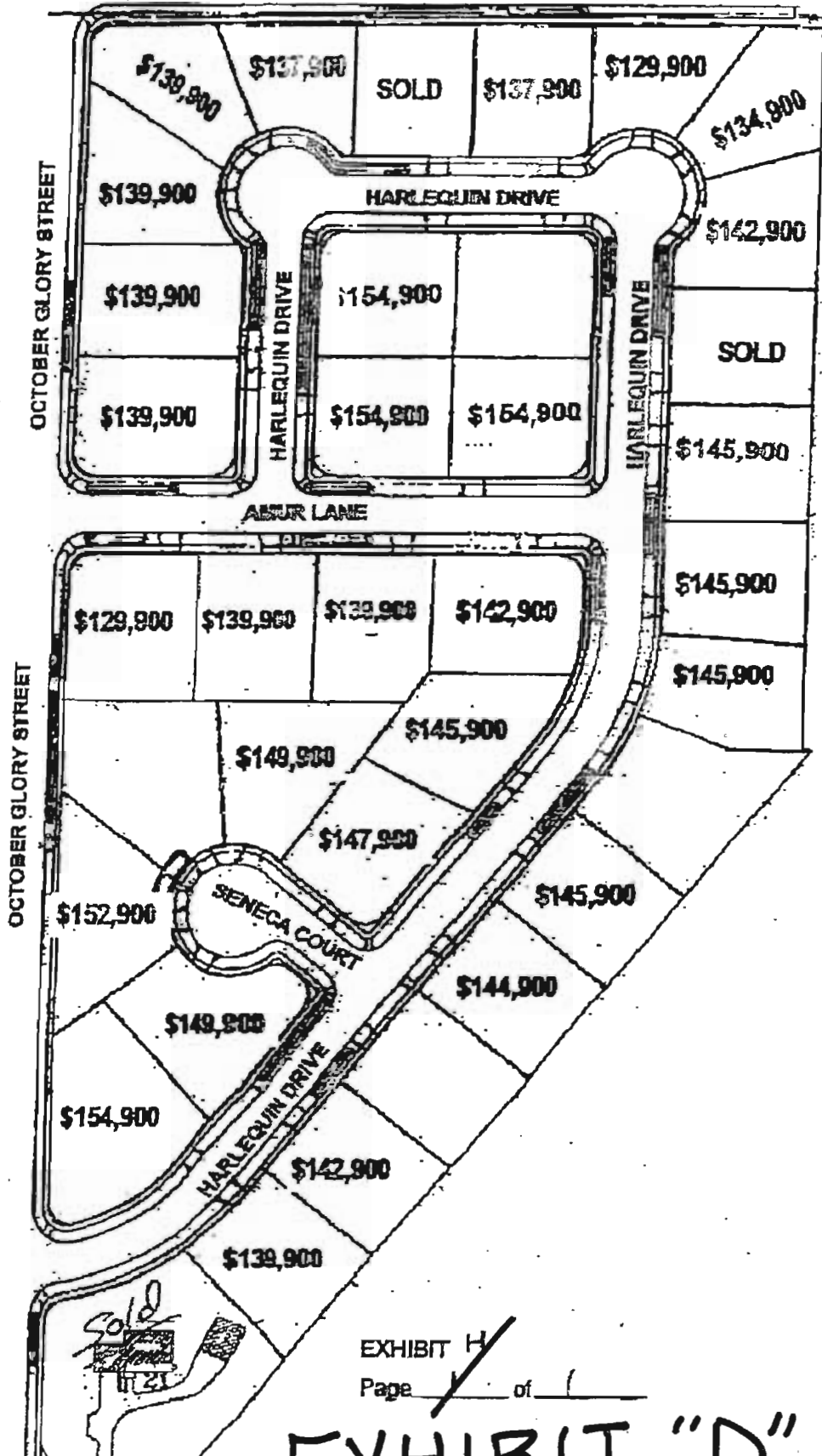


EXHIBIT H

Page 1 of 1

EXHIBIT "D"
HILL (2 pgs)

D-1
387

RECORDATION REQUESTED BY:
IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1280 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814

COEUR D'ALENE, ID 83814
KOOTENAI CO. RECORDER Page 1 of 1
RSM Date 08/25/2006 Time 15:29:52
REC-REG OF FIRST AMERICAN TITLE CO.
RECORDING FEE: 21.08
2031764808 RD

WHEN RECORDED MAIL TO:
IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1280 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814

SEND TAX NOTICES TO:
R. BRADLEY JORDAN, DEBRA A. JORDAN, JERRY A. HILL and
JERRY HILL
20834 NETTLEY ON GULCH ROAD
COEUR D'ALENE, ID 83815

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

178610

DEED OF TRUST

MAXIMUM LIEN. The lien of this Deed of Trust shall not exceed at any one time \$295,000.00.

THIS DEED OF TRUST is dated August 24, 2006, among R. BRADLEY JORDAN AND DEBRA A. JORDAN, HUSBAND AND WIFE AS TO PARCEL 1 AND JERRY A. HILL AND JERRY HILL, HUSBAND AND WIFE AS TO PARCEL 2, whose address is 1900 NORTHWEST BLVD., COEUR D'ALENE, ID 83814 ("Grantor"); IDAHO INDEPENDENT BANK, whose address is COEUR D'ALENE OFFICE, 1280 WEST RIVERSTONE DRIVE, COEUR D'ALENE, ID 83814 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and FIRST AMERICAN TITLE INSURANCE COMPANY, whose address is 1888 N. LAKEWOOD DRIVE, COEUR D'ALENE, ID 83814 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor does hereby irrevocably grant, bargain, sell and convey in trust, with power of sale, to Trustee for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently created or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in ditch or irrigation rights) and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in KOOTENAI County, State of Idaho:

Parcel 1:

That portion of Government Lot 6, Section 2, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, described as follows:

Beginning at the most Westerly corner of Lot 1 of Wolfpoint, according to the plat recorded in the office of the County Recorder in Book D of Plats at Page 21, records of Kootenai County, Idaho; thence

South 73°17'16" West, along the shore line of Lake Coeur d'Alene, 50.57 feet to the northeast corner of land described in Deed to James F. Gulmond, et ux, recorded May 15, 1976 in Book 271 of Deeds at Page 364; thence

South 08°36'00" East along the Easterly line of said Gulmond land, 191.95 feet to the Southeast corner thereof; thence

North 81°02'30" East, 198.75 feet to the most Southerly corner of said Lot 1, Wolfpoint; thence

North 39°16' West, 235 feet to the POINT OF BEGINNING.

Parcel 2:

Lot 12, Block 1, Echo Point, according to the plat recorded in Book D of Plats, Page 70, records of Kootenai County, Idaho.

The Real Property or its address is commonly known as 7809 E. BRIDGER TRAIL AND 5869 S. LAKESIDE DR., HARRISON, ID 83833.

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower and Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender (also known as Beneficiary) in this Deed of Trust, all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS DEED

EXHIBIT 6

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HILL EXHIBIT "E" 389 E-1

DEED OF TRUST (Continued)

Loan No: 1191197

Page 2

OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor; and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower including without limitation the creditworthiness of Borrower.

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower and Grantor shall pay to Lender all indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property. **THE REAL PROPERTY EITHER IS NOT MORE THAN FORTY (40) ACRES IN AREA OR IS LOCATED WITHIN AN INCORPORATED CITY OR VILLAGE.**

Duty to Maintain. Grantor shall maintain the Property in veritable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substances by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance Waiver. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property, without limiting the generality of the foregoing. Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas, coal, clay, asphalt, soil, gravel or rock products) without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall comply strictly with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interest in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property, whether legal, beneficial or equitable, whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land covered contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this section shall not be exercised by Lender if such exercise is prohibited by federal law or by state law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the

EXHIBIT G

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390 E-2

DEED OF TRUST (Continued)

Loan No: 1181187

Page 3

work, services, or materials. Grantor will upon request of Lender furnish to Lender advance measurements satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in term, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverage will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior loans on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditures, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amounts owing to Lender under the Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be held to Grantor as Grantor's interests may appear.

Compliance with Existing Indebtedness. During the period in which any existing indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such existing indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust, to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loan, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the existing indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the policy insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain existing indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may but shall not be obligated to take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be amortized among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to this Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the existing indebtedness section below or in any title insurance policy, this report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property comply with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness are a part of this Deed of Trust:

Existing Lien. The lien of this Deed of Trust securing the indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the existing indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and carry out Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust.

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**DEED OF TRUST
(Continued)**

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Including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this deed shall have the same effect as an event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) consents the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, cover or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (such as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or re-recorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters related to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters related to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Borrower fails to make any payment when due under the indebtedness.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Borrower's or any Grantor's ability to repay the indebtedness or perform their respective obligations under this Deed of Trust or any of the Related Documents.

Fraud Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents cease to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or foreclosure proceeding and if Borrower or Grantor gives Lender written notice of the creditor or foreclosure proceeding and deposits with Lender monies or a surety bond for the creditor or foreclosure proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guaranty. Any of the preceding events occur with respect to any Guarantor of any of the indebtedness or any Guarantor does or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

Insolvency. Lender in good faith believes itself impaired.

Expiring Indebtedness. The payment of any installment of principal or any interest on the Expiring Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

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Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately institutes steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practicable.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Notice of Default. In the Event of Default Lender shall exercise or cause the Trustee to exercise a written notice of such default and of Lender's election to cause the Property to be sold to satisfy the indebtedness, and shall cause such notice to be recorded in the office of the recorder of each county wherein the Real Property, or any part thereof, is situated.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property and collect the rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the rents from this Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Notice of sale having been given as then required by law, and not less than the time required by law having elapsed, Trustee, without demand on Grantor, shall sell the property at the time and place fixed by it in the notice of sale at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser his or her deed conveying the Property so sold, but without any covenant or warranty express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness of such matters or facts. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable attorneys' fees, including those in connection with the sale, Trustee shall apply proceeds of sale to payment of (a) all sums expended under this Deed of Trust, not then repaid with interest thereon as provided in this Deed of Trust; (b) all indebtedness secured hereby; and (c) the remainder, if any, to the person or persons legally entitled thereto.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the New rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings. Including efforts to modify or vacate any automatic stay or injunction, appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports including foreclosure reports, surveys' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions related to the powers and obligations of Trustee are part of this Deed of Trust.

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Kootenai County, State of Idaho. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the time, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by first-class mail (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addressee shown near the beginning of the Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning

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of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of KOOTENAI County, State of Idaho.

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any person or circumstances, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstances. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or accommodation without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means IDAHO INDEPENDENT BANK, and its successors and assigns.

Borrower. The word "Borrower" means JORDAN, HILL & HALL, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 9601, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Deed of Trust.

Grantor. The word "Grantor" means R. BRADLEY JORDAN, DEBRA A. JORDAN, JERRY A. HILL and JENNY HILL.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, tested, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or wastes as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of

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Trust. Specifically, without limitation, indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lender. The word "Lender" means IDAHO INDEPENDENT BANK, its successors and assigns.

Note. The word "Note" means the promissory note dated August 24, 2006, in the original principal amount of \$295,000.00 from Borrower to Lender, together with all renewals of, amendments of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessories, parts, and add-ons to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means FIRST AMERICAN TITLE INSURANCE COMPANY, whose address is 1600 N. LAKEWOOD DRIVE, COEUR D'ALENE, ID 83814 and any substitutes or successor trustees.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

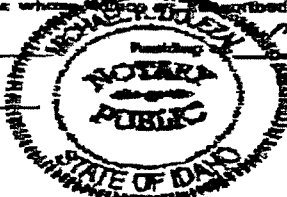
X R. Bradley Jordan
R. BRADLEY JORDANX Debra A. Jordan
DEBRA A. JORDANX Jerry A. Hill
JERRY A. HILLX Jenny Hill
JENNY HILL

INDIVIDUAL ACKNOWLEDGMENT

STATE OF IdahoCOUNTY OF Kootenai

On this 24 day of August, in the year 2006, before me Michael H. Jordan, a Notary Public in and for the State of Idaho, personally appeared R. BRADLEY JORDAN; DEBRA A. JORDAN; JERRY A. HILL; and JENNY HILL, known or identified to me (or known to me on the oath of Michael H. Jordan), to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

Notary Public for Idaho

My commission expires 7/10/2012

REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: _____ Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

For: _____

EXHIBIT G

Page 9 of 15

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PROMISSORY NOTE

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "XXX" has been omitted due to text length limitations.

Borrower: JORDAN, HILL & HALL, INC.
1800 NORTHWEST BLVD.
COEUR D'ALENE, ID 83814

Lender: IDAHO INDEPENDENT BANK
COEUR D'ALENE OFFICE
1280 WEST RIVERSTONE DRIVE
COEUR D'ALENE, ID 83814
(208) 766-3519

Principal Amount: \$295,000.00

Initial Rate: 5.750%

Date of Note: August 24, 2006

PROMISE TO PAY. JORDAN, HILL & HALL, INC. ("Borrower") promises to pay to IDAHO INDEPENDENT BANK ("Lender") or order, in lawful money of the United States of America, the principal amount of Two Hundred Ninety-Five Thousand & 00/100 Dollars (\$295,000.00), together with interest on the unpaid principal balance from August 24, 2006, until paid in full.

PAYMENT. Borrower will pay this loan in one principal payment of \$295,000.00 plus interest on December 22, 2006. This payment due on December 22, 2006, will be for all principal and all accrued interest not yet paid. In addition, Borrower will pay regular monthly payments of all accrued interest due as of each payment date, beginning September 24, 2006, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or modified by applicable law, payments will be applied first to any accrued unpaid interest and then to principal, because on this Note is computed on a 360/360 simple interest basis; that is, by applying the ratio of the annual interest rate over the number of days in a year (365 during leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the NEW YORK CONSSENSUS FIBRE LENDING RATE AS PUBLISHED BY THE WALL STREET JOURNAL the "index". The index is not necessarily the lowest rate charged by Lender on its loans. If the index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each DAY. Borrower understands that Lender may make loans based on other rates as well. The index currently is 5.250% per annum. The interest rate to be applied to the unpaid principal balance during this Note will be at a rate of 1.500 percentage points over the index, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 5.750% per annum. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 5.750% per annum or more than the maximum rate allowed by applicable law.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment in whole or in part, except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, release Borrower of Borrower's obligation to continue to make payments under the payment schedule. Neither, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or of similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: IDAHO INDEPENDENT BANK, COEUR D'ALENE OFFICE, 1280 WEST RIVERSTONE DRIVE, COEUR D'ALENE, ID 83814.

LATE CHARGE. If a payment is 15 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon first maturity, the interest rate on this Note shall be increased to 21.000% per annum. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default to Power of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or enforceability of the claim which is the basis of the creditor or foreclosure proceeding and if Borrower gives Lender written notice of the creditor or foreclosure proceeding and deposits with Lender money or a surety bond for the creditor or foreclosure proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Guarantor Attending Guaranty. Any of the preceding events occur with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes bankrupt, or unable or disqualifies the ability of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations existing under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insolvency. Lender in good faith believes itself insured.

Cure Provisions. If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender denoting the date of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help enforce this Note if Borrower does not pay. Borrower will pay Lender that amount. Subject to any limits under applicable law, Lender's reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including without limitation all reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including attorney's fees for the preparation and filing of a petition for bankruptcy or a motion to dismiss a petition for bankruptcy) will now and court

EXHIBIT C

Page 1 of 15

HILL EXHIBIT "F"

396F-1

PROMISSORY NOTE
(Continued)

Loan No: 7187157

Page 2

costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Idaho.**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of KOOTENAI County, State of Idaho.**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.**COLLATERAL.** Borrower acknowledges this Note is secured by the following collateral described in the security instrument filed herein: a Deed of Trust dated August 24, 2006, to a trustee in favor of Lender on real property located in KOOTENAI County, State of Idaho.**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and to successors and assigns.**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this part will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, its party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may amend or change (temporarily and for any length of time) this loan or release any party or guarantor or collateral or interest, that to modify upon or before Lender's security interest in the collateral and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.****BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.****BORROWER:**

JORDAN, HILL & HALL, INC.

By: COPY
N. BRADLEY JORDAN, President of JORDAN, HILL
& HALL, INC.By: COPY
PATRICK J. HALL, Vice President of JORDAN,
HILL & HALL, INC.By: COPY
JERRY L. HILL, Vice President of JORDAN, HILL &
HALL, INC.

EXHIBIT 6

Page 2 of 15

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Released and Satisfied
in Full
10/05/07
Allene Escrow
by Jan Sun

PROMISSORY NOTE

Secured by Deed of Trust

\$320,000.00,

Kootenai County, Idaho

January 12th, 2006

We/I promise to pay to the order of: Delay Enterprises LLC., a Washington Limited Liability Company, Payee(s) at Coeur d'Alene, Idaho, or at such other place as Payee(s) may designate in writing, Three Hundred Twenty Thousand and 00/100's Dollars, payable in lawful money of the United States of America, with interest thereon in like money, from and after January 13th, 2006 until paid, at the rate of Nineteen (19.0 %) per cent per annum.

Principal and interest to be paid as follows:

In monthly interest only payments, with the first such payment due on the 15th day of February, 2006, and continuing to be paid in a like manner on the 15th day of each subsequent month, until January 13th 2007, at which date the entire remaining principal balance and all accrued interest shall be due and payable in full.

It is hereby acknowledged that payments on this Note are to be Interest Only and at the inception of this Note the Monthly Payment will be \$5,065.67

In the event this obligation is paid in full or in part on or prior to April 15th, 2006, the Maker agrees to pay a prepayment penalty of Three (3) Months Interest Based on the Original Principal Balance.

If any installment or portion thereof, due hereunder, is not received by the holder of this Note within Five (5) days after the due date thereof, Maker agrees to pay to Payee, in addition to the regular monthly payment, a late payment fee of Ten (10.0) % of the amount of such installment.

If the Maker hereof sells, conveys or alienates the property described in the Deed of Trust securing this Note, or any part thereof, or any interest therein, any indebtedness or obligation secured hereby (irrespective of the maturity dated expressed herein) at the option of the holder hereof and without demand or notice shall immediately become due and payable in full.

There is an existing First (1st) Deed of Trust of record, Instrument No. 1948001, records of Kootenai County, Idaho, in the amount of \$288,000.00, that should there be a breach of this First (1st) Deed of Trust, would constitute a material breach of this Note secured by the new Second (2nd) Deed of Trust.

Unless otherwise specified hereinabove, each payment shall be credited first on interest then due and the remainder on principal; and interest shall thereupon cease upon the principal so credited.

On default in the payment of this note or in the performance of any obligation in any instrument securing or collateral to it, the unpaid principal balance and earned interest on this note shall become immediately due at the election of Payee.

Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest. If this note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due.

Page 1 of 2

DO NOT DESTROY THIS NOTE: When paid in full, this Note, with Deed of Trust securing same, must be given to Trustee for cancellation before reconveyance will be made.

EXHIBIT E
Page 3 of 7

HILL EXHIBIT "G"


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If interest is paid on the indebtedness of this Note, then interest on the debt evidenced by this note shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be cancelled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

Dated: January 12th, 2006

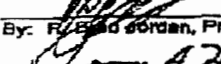
The undersigned are jointly and severally liable on this obligation.



Jerry Hill


Patrick J. Hill


R. Bradley Jordan


Jordan, Hill & Hill, Inc.

By: 
R. Bradley Jordan, President

By: 
Jerry A. Hill, Vice-President


Jerry Hill


Patrick J. Hill


R. Bradley Jordan


By: Patrick J. Hill, Secretary/Treasurer

Page 2 of 2

DO NOT DESTROY THIS NOTE: When paid in full, this Note, with Deed of Trust securing same, must be given to Trustee for cancellation before reconveyance will be made.

EXHIBIT 7

Page 4 of 7

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First American Title Company

DEED OF TRUST NOTE

\$249,000.00

Dated: 10/13/2006

COURT of Montana, ID

File No.: 185516A (mt)

FOR VALUE received, the undersigned promises to pay to the order: Charles A. Anderson and Mary Lynn Anderson, the "Lender", or order, the principal sum of Two Hundred Forty Nine Thousand & No/100 Dollars (\$249,000.00) in lawful money of the United States of America, with interest thereon at the rate of Prime Interest Rate, plus six percent, the beginning rate being Fourteen and One Quarter percent (14.25) % per annum from October 16, 2006, in installments as follows:

Interest Rates: The interest rate being charged on this Note is adjustable based upon the Prime Interest Rate being charged by Portlandia State Bank plus 6%. The interest rate may change daily. Upon a change in the Prime Interest Rate, the Lender will immediately notify the undersigned of the change in interest rate and the date of said change. The Lender shall also advise the undersigned of the next monthly payment that will be due on the next payment due date.

Interest Reserve: The undersigned has prepaid two (2) months interest on this note to be held as an interest reserve. When the Note is paid in full, said funds will be credited to the account of the undersigned prior to the calculation of the payoff. If the Note is paid in full prior to 12/16/2006, the interest reserve, less any payments received, will be retained by the Lender as minimum payment due under this Note.

Payments: The sum of \$2,956.88, which is interest only, to be paid on or before November 16, 2006, and a like sum of \$2,956.88, which is interest only, to be paid on or before Sixteenth of each and every Month thereafter, until charged by the Lender. If on April 16, 2008 a balance is still outstanding on this Note, it will be due and payable along with any and all accrued interest.

Late Charges: If the Lender has not received the full amount of any monthly payment by the end of 15 calendar days after the due date, the undersigned will pay a late charge to the Lender. The amount of the late charge will be 10% of the overdue payment. The undersigned will pay this late charge promptly but only once on each late payment.

Lot Release Clause: The Lender will release lots securing this Note upon receipt of a principal payment of \$83,000.00 per lot. If payments on this Note are paid due at the time of the lot payoff and release, the undersigned will pay all accrued interest and late charges in addition to the principal payment.

All payments shall be credited first to interest and the remainder, if any, to principal.

The maker reserves the option to prepay this obligation at any time without notice or incurring a penalty for such prepayment or prepayments. All prepayments shall be applied by the holder hereof against principal in the inverse order of maturity without reducing the amount of the remaining obligatory installments as provided herein above, nor shall any such prepayments have the effect of excusing the next installment payment due.

**First American Title Company**

In case of failure to pay any installment when same shall become due, the Lender, at his option, may declare the whole principal hereof as immediately due and payable. In case this note is collected by an attorney, either with or without suit, the undersigned hereby agree to pay all costs and a reasonable attorneys' fee.

This note is secured by a Deed of Trust of even date executed by the undersigned on certain real property described therein.

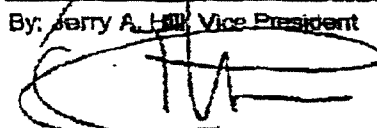
The undersigned hereby waive presentment, protest, and notice.

Crimson King Estates, LLC, an Idaho Limited Liability Company

By: Jordan, Hill & Hall, Inc., an Idaho Corporation


By: R. Bruce Jordan, President


By: Jerry A. Hill, Vice President


By: Patrick J. Hall, Secretary/Treasurer

AFTER RECORDING MAIL TO:

Charles A. Anderson & Mary Lynn Anderson
1675 S. Cederblom Road
Coeur d'Alene, ID 83814

A.P.N.: P705031058AD

File No. 185518A (mj)

DEED OF TRUST

THIS DEED OF TRUST, made this Thirteenth day of October, 2006, between Crimson King Estates, LLC, an Idaho Limited Liability Company, as GRANTOR(S), whose address is 1900 Northwest Blvd, Coeur d'Alene, ID 83814, and First American Title Company, an Idaho Corporation, as TRUSTEE, whose address is P.O. Box 1747, Coeur d'Alene, ID 83816, and Charles A. Anderson & Mary Lynn Anderson, as BENEFICIARY, whose address is 1675 S. Cederblom Road, Coeur d'Alene, ID 83814;

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in the County of Kootenai, State of Idaho, described as follows and containing not more than 40 acres:

Legal Description attached hereto as Exhibit A, and by this referenced incorporated herein.

Lot Release Clause: In the event the herein described property, or any part hereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the grantor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, shall become immediately due and payable. The Lender will release Lots securing this Note upon receipt of a principal payment of \$83,000.00 per lot. If payments on the Note are past due at the time of the Lot payoff and release, the undersigned will pay all accrued interest and late charges in addition to the principal payment.

Page 1 of 7

EXHIBIT

Page 4 of 12

HILL EXHIBIT "I"

(9 pgs)

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APN: P706031058AD

Deed of Trust - continued

File No.: 185518A (mJ)

TOGETHER WITH the rents, issues, and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of Two Hundred Forty Nine Thousand dollars (\$249,000.00), final payment due April 16, 2008 and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary, and provided, further, that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all such advances together with interest thereon.

Page 2 of 7

EXHIBIT F

Page 5 of 12

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APN: P705031058AD

Deed of Trust - continued

File No.: 185518A (mj)

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to effect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4. To pay; at least ten days before delinquency, all taxes and assessments affecting said property, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust. In addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure so to pay shall constitute a default under this trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at eight percent per annum.

6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to effect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

Page 3 of 7

EXHIBIT F

Page 6 of 12

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APN: P70503105840

Deed of Trust - continued

File No.: 185518A (m)

5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act pursuant to such notice.

6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at eight percent per annum; all other sums then secured hereby; and the remainder, if any, to the persons or persons legally entitled thereto.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder of the Note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be party unless brought by Trustee.

9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a Trustee or Trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the County in which new Trustee or Trustees shall succeed to all of the powers and duties of the trustee or Trustees named herein.

Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed to the Grantor at his address hereinbefore set forth.

Crimson King Estates, LLC, an Idaho Limited Liability Company

APN: P705031058AD

Deed of Trust - continued

File No.: 18551BA (m)

By: Jordan, Hill & Hall, Inc., an Idaho Corporation

By: R. Bruce Jordan, President

By: Jerry A. Hill Vice President

By: Patrick J. Hall, Secretary/Treasurer

STATE OF Idaho)

55

COUNTY OF Kootenai)

On this 19 day of October, 2006, before me, a Notary Public in and for said State, personally appeared R. Brad Jordan, Jerry A. Hill and Patrick J. Hall, President, Vice President and Secretary / Treasurer of Jordan, Hill & Hall, Inc., known or identified to me to be the Corporation whose name is subscribed to the within Instrument as the Member of the Crimson King Estates, LLC, which is known or identified to me to be the entity whose name is subscribed to the within instrument and acknowledged to me that Jordan, Hill & Hall, Inc. executed the same in said Limited Liability Company's name.



Notary Public of Idaho
Residing at Coeur d'Alene, ID
Commission Expires: 11/22/2011

Page 5 of 7

EXHIBIT

F

Page 8 of 12

I-5
406

APN: P705031058AD

Deed of Trust - continued

File No.: 185518A (mf)

EXHIBIT A

Lots 9 - 11, Block 3, Crimson King Estates, according to the plat recorded in the Office of the County Recorder in Book "J" of Plats, Page 377, records of Kootenai County, State of Idaho.

APN: P705031058AD

Page 6 of 7

EXHIBIT F

Page 9 of 12

407I-6

APN: #705031038AD

Deed of Trust - continued

File No.: 185518A (mt)

THE FOLLOWING NOTE OR NOTES, AND ANY ENDORSEMENTS OF FURTHER AND/OR ADDITIONAL ADVANCES MUST BE PRESENTED WITH THIS REQUEST	
Date _____	
To: _____	Trustee: _____
You are hereby authorized and requested to execute a reconveyance hereunder and	
The undersigned hereby certifies _____	
As the owner(s) and holder(s) of the debt secured by said Deed of Trust and that the same has never been	
Address: _____	By: _____
_____	By: _____
Telephone: _____	_____

Page 7 of 7

EXHIBIT F

Page 10 of 12

408 I-7

First American Title Company

1866 North Lakewood Drive - Coeur d'Alene, ID 83814

Borrower's Settlement Statement

Property: Lots 9 - 11, Block 3, Crimson King Estates, Post Falls, ID 83854

File No: 185518A

Officer: Mark Johnson/mj

New Loan No:

Settlement Date:

Disbursement Date: 10/16/2006

Print Date: 10/17/2006, 11:41 AM

Buyer: Crimson King Estates

Address: 1900 Northwest Blvd., Coeur d'Alene, ID 83814

Seller:

Address:

Item	Amount	Debit	Credit
New Loan(s):			
Lender: Charles A. Anderson & Mary Lynn Anderson			
New Loan to File - Charles A. Anderson & Mary Lynn Anderson			249,000.00
Loan Origination Fee 2.5000% - Charles A. Anderson & Mary Lynn Anderson	6,225.00		
Prepaid Interest - 1 Month @ \$2,936.88/mo. - Charles A. Anderson & Mary Lynn Anderson	5,913.75		
Mtg. Broker: Northwest Mortgage of Idaho			
Broker Origination Fee - Northwest Mortgage of Idaho	2,735.00		
Processing Fee - Northwest Mortgage of Idaho	395.00		
Shipping & Handling - Northwest Mortgage of Idaho	40.00		
Title/Escrow Charges to:			
Settlement or Closing Fee - First American Title Company	150.00		
Policy-Standard Lenders Policy - First American Title Company	75.00		
Recording Fee-Mortgage - First American Title Company	24.00		
Disbursements Paid:			
Pay Closing Costs on HRI to Crimson King Est to First American Title Company FBO: File #185518-C	184.00		
Closing funds for Yacomo & Browning Sale to First American Title Company FBO: File #185172	65,494.88		
Closing fund for Debt Modification to First American Title Company FBO: File #185518-B	6,516.45		
Cash (From) (X To) Borrower	160,253.00		
Total		249,000.00	249,000.00

EXHIBIT

F

Page 11 of 12

Page 1 of 2

409I-8

First American Title Company

1846 North Lakewood Drive - Coeur d'Alene, ID 83814

Borrower's Final Settlement Statement

Property: Lots 9-11, Block 3, Crimson King Estates, Post Falls, ID 83854

File No: 185518A

Officer: Mark Johnson/mj

New Loan No:

Settlement Date:

Disbursement Date: 10/16/2006

Print Date: 10/20/2006, 10:10 AM

Buyer: Crimson King Estates

Address: 1900 Northwest Blvd., Coeur d'Alene, ID 83814

Seller:

Address:

Charge Description	Debit	Credit
New Loan(s):		
Lender: Charles A. Anderson & Mary Lynn Anderson		
New Loan to File - Charles A. Anderson & Mary Lynn Anderson		249,000.00
Loan Origination Fee 2.5000% - Charles A. Anderson & Mary Lynn Anderson	6,225.00	
Prepaid Interest - 2 Months @ \$2,936.88/mo. - Charles A. Anderson & Mary Lynn Anderson	5,913.75	
Mort. Broker: Northwest Mortgage of Idaho		
Broker Origination Fee - Northwest Mortgage of Idaho	3,735.00	
Processing Fee - Northwest Mortgage of Idaho	395.00	
Shipping & Handling - Northwest Mortgage of Idaho	40.00	
Title/Escrow Charges to:		
Settlement or Closing Fee - First American Title Company	150.00	
Policy-Standard Lenders Policy - First American Title Company	75.00	
Recording Fee-Mortgage - First American Title Company	24.00	
Disbursements Paid:		
Pay Closing Costs on Hill to Crimson King Est to First American Title Company FBO: File #185518-C	184.00	
Closing Costs for Yacobs & Browning Sale to First American Title Company FBO: File #185172	65,392.29	
Closing fund for Deed Modification to First American Title Company FBO: File #185518-B	6,510.45	
Cash (From) (To) Borrower	160,340.53	
Total	249,000.00	249,000.00

First American Title Company

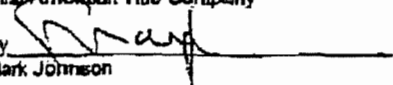
By 
Mark Johnson

EXHIBIT F

Page 12 of 12

Page 1 of 1

410 I-9



INVOICE & MEETING DATE

March 7, 2005

Jordon, Hill and Hall, LLC
1900 Northwest Blvd.
Coeur d'Alene, ID 83814

CRIMSON KING SUBDIVISION
East of Highway 41, between Mullan Ave. and 12th.
FILE NO. S-05-05

The application mentioned above has been scheduled for the Post Falls Planning and Zoning Commission meeting, on Tuesday, April 12, 2005, at 6:00 p.m.

The application fee and/or processing and mailing costs for public notification are listed as follows:

Application fee	(\$2,000)	PAID
Mailing fees for Planning & Zoning agenda: (24 names @ \$5.00 each)		\$ <u>120.00</u>
Total Due:		\$ 120.00

The Post Falls Press will be billing you separately for the Public Hearing Notice. If you have any questions, please feel free to contact me.

Sincerely,

Joan F. Thornton
Administrative Specialist

EXHIBIT "J"
HILL

411

J-1

NOTICE OF PUBLIC HEARING

CRIMSON KING ESTATES SUBDIVISION & SPECIAL USE PERMIT

(File No. S-05-05 and SUP-05-01)

NOTICE IS HEREBY GIVEN that the Planning and Zoning Commission of Post Falls, Idaho will hold a public hearing at City Hall on the 12TH day of April, 2005 at 6:00 p.m. on a request for a 19.98 acre subdivision and Special Use Permit, proposing 37 large residential lots and 9 commercial lots. The Special Use Permit is requesting residential use in a Commercial Zone.

GENERAL LOCATION:

This property is located east of Highway 41, between Mullan Avenue and 12th Avenue.

LEGAL DESCRIPTION:

Parcel 1

Tract 55, Block 31, Post Falls Irrigated Tracts, according to the plat recorded in Book "C" of plats, page 78, 79 and 80, Records of Kootenai County, Idaho.

Parcel 2

The north half of tract 56, Block 31, Post Falls Irrigated Tracts. According to the plat recorded in Book "C" of plats, pages 78, 79 and 80, records of Kootenai County, Idaho.

Parcel 3

A parcel of land located in a portion of tracts 58 and 59, Post Falls Irrigated Tracts, Block 31, in the southwest quarter of section 31, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho. As shown on records of survey at Book 16, Page 162, and Book 18, Page 360, Records of Kootenai County, Idaho, and being more particularly described as follows:

Beginning at the southwest corner of said section 31;

Thence north 58° 53'12" East, 58.40 feet to the intersection of the easterly right of way line of State Highway 41 and the northerly right of way line of Royal Drive;

Thence north 89°47'52" East, along the said northerly right of way line of Royal Drive, 30 feet northerly and parallel to the south line of said section 31, 611.67 feet to the southwest corner of said Tract 58 and the True Point of Beginning for this description;

Thence continuing north 89°47'52" East, 166.33 feet;

Thence leaving said northerly right of way line of Royal Drive, north 38°38'07" East, 805.19 feet to a point on the northerly line of said Tract 59;

Thence South 89°54'25" West, along the said northerly line of tract 59, 7.89 feet to the northeast corner of said Tract 58;

Thence south 00°01'21" East, along the westerly line of said Tract 58, 628.93 feet, more or less, to the True Point of Beginning;

Dated this 8 day of March, 2005

POST FALLS PLANNING & ZONING

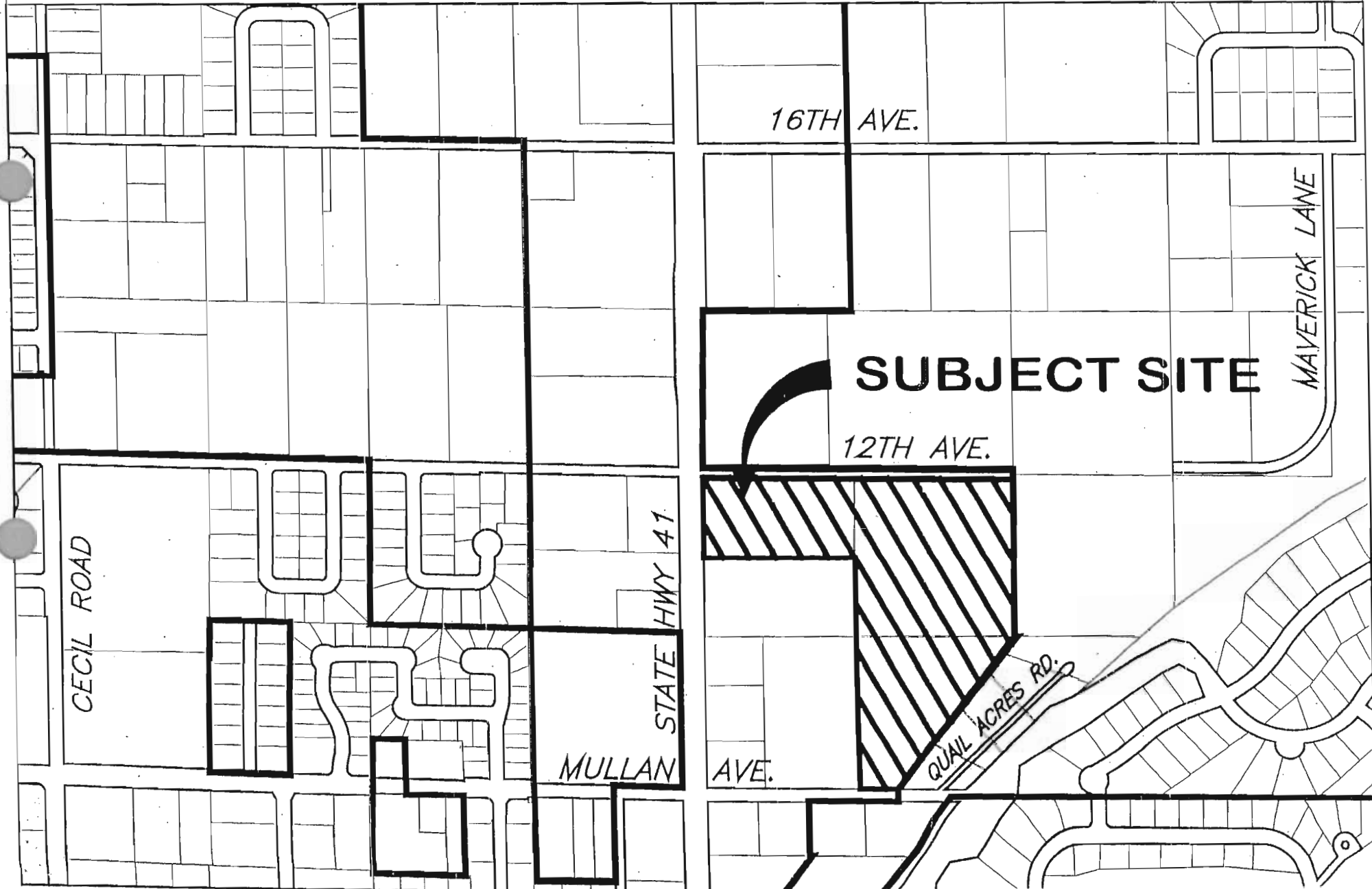


COLLIN COLES
SENIOR PLANNER

All persons desiring to be heard should appear at this hearing. Written testimony may be sent to the City of Post Falls Planning Division, 408 Spokane Street, Post Falls, ID 83854, but must be received no later than April 4, 2005. Written testimony received after this date will not be entered into the record or read at the public hearing. A complete file on this matter may be reviewed by the public in the Post Falls Planning Division.

PROPOSED SUBDIVISION CRIMSON KING ESTATES

FILE No. S-05-05/SUP-05-01 - 19.98 ACRES TOTAL



Mullan Ave

Ⓒ "Mullan Home"
7 acres

(Purchased by Jerry & Jenny Hill for the
benefit of Jordan, Hill & Hall Inc.)

Car Wash

Commercial
Development

Private Party
(Won't Sell)

CRIMSON KING
ESTATES

14 Acres
Jordan, Hill & Hall Inc.

"LANG" Ⓐ

HWY
41

EXHIBIT "K"
HILL

Maverick Lane (Private Road)

12th Ave

Ⓓ "Maverick Home"
5 Acres

(Purchase by Jerry & Jenny
Hill for the benefit of Jordan,
Hill & Hall Inc.)

10 Acres
Jordan, Hill & Hall Inc.

"Ballard" Ⓑ

Trailer Park
(Won't Sell)

2007588

After Recording, Return To:

Alegro Escrow
 12423 E. Broadway
 Spokane, WA 99216
 Attn: Long Term Escrow Dept.



File # D8-B544 TW

DEED OF TRUSTTHIS DEED OF TRUST, Made this 12th day of January, 2008

BETWEEN Jerry Hill and Jerry Hill, husband and wife
 Whose address is: 1400 North West Blvd. Shoshone, Idaho 83264
 Land America Lawyers Title, herein called TRUSTEE, AND
 Doherty Enterprises L.L.C., a Washington Limited Liability Company, whose address is: 5426 E. Quail Ridge
 Circle, Spokane, WA 99223, herein called BENEFICIARY,
 WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN
 TRUST WITH POWER OF SALE, that property in the County of Kootenai, State of Idaho, described as follows and
 containing not more than forty acres:
 *** See exhibit "A" attached hereto and made a part hereof for legal description:

If all, or any part, of the subject real property, or an interest therein is sold, transferred, or contracted to be sold or
 transferred in the future by agreement, without the Beneficiary's prior written consent, excluding a transfer by
 devise, descent or operation of law upon the death of the Grantor, Beneficiary may, at Beneficiary's option, declare
 all sums secured by this Deed of Trust to be immediately due and payable. - See Note for further Provisions-

This Deed of Trust, is specifically said in all respects subordinate and junior in lien to that certain First (1st) Deed of
 Trust, in the original amount of \$208,000.00, dated April 28th, 2005, executed by Jerry Hill and Jerry Hill, husband
 and wife in favor of Mortgage Electronic Registration Systems, Inc. ("MERS"), acting solely as nominee for Lender
 - WMC Mortgage Corp., which was recorded on April 28th, 2005 as Instrument No. 1846001, records of Kootenai
 County, State of Idaho. - A breach of the said First (1st) Deed of Trust shall constitute a material breach of this
 Second (2nd) Deed of Trust securing the Note of even date.

TOGETHER WITH rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority
 hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits, for the
 purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith,
 executed by Grantor in the sum of Three Hundred Twenty Thousand and 00/100^{ths} Dollars (\$320,000.00), that
 payment due January 15th, 2007 and to secure payment of all such further sums as may hereafter be loaned or
 advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present
 interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or
 expenditures together with interest on all such sums of the rate therein provided. Provided, however, that the
 making of such further loans, advances or expenditures shall be optional with the Beneficiary, and provided, further
 that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid
 for all such advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor Agrees:

1. To keep said property in good condition and repair, not to remove or demolish any building thereon, to complete or
 restore property and in good and workmanlike manner any building which may be constructed, damaged or destroyed
 thereon and to pay when due all claims for labor performed and materials furnished thereon; to comply with all laws affecting
 said property or requiring any alterations or improvements to be made thereon; not to convert or permit waste thereof; not to
 convert, suffer or permit any act upon said property in violation of law; to cultivate, improve, fertilize, fumigate, prune and do all
 other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein
 not excluding the general.
2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The
 amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured
 hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part
 thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default
 hereunder or invalidate any act done pursuant to such notice.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of
 Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a
 reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
4. To pay, at least ten days before delinquency all taxes and assessments affecting said property, when due, all
 encumbrance charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior
 hereto; all costs, fees and expenses of the Trust. In addition to the payments due in accordance with the terms of the note
 hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated
 annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for
 Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure to pay shall
 constitute a default under this trust.
5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions
 hereof, with interest from date of expenditure at the highest lawful rate permissible under Idaho Law.
6. Should Grantor fail to make any payment of or to do any act as herein provided, then Beneficiary or trustee, but without
 obligation to do so and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof,
 may, make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof,
 Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or
 proceeding purporting to affect the security hereof or the rights of power of Beneficiary or Trustee; pay, purchase, contest or
 compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in
 exercising any such powers, or in enforcing this deed of trust by judicial foreclosure, pay necessary expenses, employ
 counsel and pay his reasonable fees.

EXHIBIT E

Page 5 of 7

HILL EXHIBIT "L"

416L-1

cc
cc
cc
cc
cc
cc

B. It is mutually agreed that:

1. Any estate or inheritance in connection with any consideration for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may supply or release such interest received by him in the same manner and with the same effect as those provided for disposition of proceeds of fire or other insurance.
2. By accepting payment of any claim secured hereby either by due debt, Beneficiary does not waive the right either to require present payment when due or of all other sums so secured or to declare default for failure to pay.
3. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of the Deed of Trust and said debt for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may, at any time or from time to time, at any place of said property, execute to the said Beneficiary a new deed of said property in granting any assignment, mortgage, or joint in any relation agreement or any agreement authorizing the lien or charge hereof.
4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon receipt of the Deed and said debt to Trustee for cancellation and return and upon payment of its fee, Trustee shall receive, without warranty, the property then held hereunder. The parties in such circumstances may be described as "the parties or persons legally entitled thereto".
5. As additional security, Grantor hereby grants to and confers upon Beneficiary the right, power and authority, during the continuance of this Trust, to collect the said taxes, issues and profits of said property, reserving unto Grantor the right, prior to any default by grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, after 30 days, give a notice to be supported by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name and for or otherwise subject such rents, issues and profits, including those then due and unpaid, and apply the same, first unto and against the expenses of execution and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in each order so Beneficiary may determine. The aforesaid upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cease or expire by the death of Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall exercise as cause the Trustee to execute a written notice of such default and of the election to cause to be sold the herein described property to satisfy the obligations hereunder, and shall cause such notice to be recorded in the office of the recorder of such county wherein said real property or some part thereof is situated.
6. Notice of said having been as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand or demand, shall sell and convey the real and personal property of the said estate of said estate, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for such in lawful money of the United States, payable at the time of sale. Trustee shall deliver to the purchaser the deed conveying the property so sold, but without any covenant or warranty expressed or implied. The proceeds in each case of any such sale shall be the exclusive proof of the indebtedness thereof. Any person, including Grantor, Trustee, or Beneficiary, may purchase at such sale.
7. After deducting all costs, fees and expenses of Trustee, and of this Trust, including cost of insurance of the said realizable interest for in connection with same, Trustee shall apply the proceeds of sale to payment of: all sums expressed under the terms hereof, not then repaid, with accrued interest at the highest lawful rate permissible under Idaho law; all other sums then secured hereby; and the remainder, if any, to the parties or persons legally entitled thereto.
8. Notwithstanding any other provisions hereof or of any other agreement between the parties hereto, under no circumstances shall the amount paid or agreed to be paid to such Beneficiary for the use, maintenance or protection of any secured the highest lawful rate permissible, and if a court of competent jurisdiction shall determine that the performance of any provision hereof or deemed shall result in payment of interest in excess thereof, then such provision shall be deemed appropriately modified to the extent necessary to reduce such amount to that not in excess of such rate, and any excess amount, hereafter received shall be deemed applied to the principal amount of the debt.
9. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, leges, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby; or, if the note has been pledged, the pledgee thereof. In the Deed, whenever the word "he" is used, the masculine gender includes the feminine gender and the word "person" includes the plural.
10. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any proceeding in which Grantor, Beneficiary or Trustee shall be a party unless brought by Trustee.
11. In the event of default or nonpayment of the Trustee, the Beneficiary may substitute a trustee or trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such trustee or trustees, and such new trustee or trustees shall succeed to all of the powers and duties of the parties or Trustee named herein.
12. Required to hereby make and a copy of any Notice of Default and a copy of an Motion of Sale hereunder be mailed to the grantor at the address herein before set forth.

Jerry Hill

Jerry Hill

STATE OF Idaho

COUNTY OF Kootenai

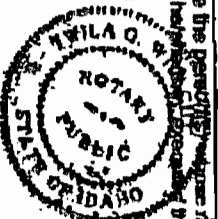
On this 13 day of January, in the year of 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared

Jerry Hill and Jerry Hill

known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notarial History Acknowledgment



Notary Public in and for said State
Residing at:
Commission Expires: 11/02/2008
Debra Gardens, Idaho

EXHIBIT E

Page 6 of 7

L-2

417

2007588

Order No. 06-8544

EXHIBIT "A"
LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN A PORTION OF TRACTS 56 AND 58, POST FALLS IRRIGATED TRACTS, BLOCK 31, IN THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 31 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, AS SHOWN ON RECORDS OF SURVEY AT BOOK 16, PAGE 162, AND BOOK 12, PAGE 66, RECORDS OF KOOTENAI COUNTY, IDAHO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 21:

THENCE NORTH 28 DEGREES 57' 12" EAST, 88.48 FEET TO THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF STATE HIGHWAY 41 AND THE NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE;

THENCE NORTH 82 DEGREES 47' 52" EAST, ALONG THE SAID NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE, 30 FEET NORTHERLY AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 21, 611.67 FEET TO THE SOUTHWEST CORNER OF SAID TRACT 56 AND THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION;

THENCE CONTINUING NORTH 89 DEGREES 47' 12" EAST, 166.35 FEET;

THENCE LEAVING SAID NORTHERLY RIGHT OF WAY LINE OF ROYAL DRIVE, NORTH 34 DEGREES 14' 57" EAST, 805.39 FEET TO A POINT ON THE NORTHERLY LINE OF SAID TRACT 58;

THENCE SOUTH 88 DEGREES 41' 25" WEST, ALONG THE SAID NORTHERLY LINE OF TRACT 58, 7.48 FEET TO THE NORTHEAST CORNER OF SAID TRACT 58;

THENCE SOUTH 85 DEGREES 56' 37" WEST, ALONG THE NORTHERLY LINE OF SAID TRACT 58, 16.46 FEET TO THE NORTHWEST CORNER OF SAID TRACT 58;

THENCE SOUTH 84 DEGREES 01' 21" EAST, ALONG THE WESTERLY LINE OF SAID TRACT 58, 618.35 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF _____

~~landowner~~ ~~lawyer~~ ~~title~~

JUL 13 P 3:00

DANIEL J. ENGLISH

DEPUTY 9.00

FEES

85-3308

EXHIBIT E

Page 7 of 7

L-3
418

(LAKE HOME SALE)
Payment to Jordan, Hill & Hall

08/27/2008 10:32 208-772-7243

BECK POORMAN

PAGE 02/0

BECK & POORMAN, LLC

A Professional Legal Service Company

Post Office Box 1390 ♦ 8884 N. Government Way, Suite D ♦ Hayden, Idaho 83835

Lawrence R. Beck, Attorney
Scott L. Poorman, Attorney

Cheryl Backes, Legal Assistant
Nancy James, Legal Assistant

August 27, 2008

Jacqueline Sergeant
First American Title Company
1866 N. Lakewood Drive
Coeur d'Alene, ID 83814

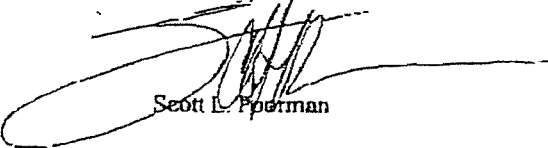
Re: Jerry and Jenny Hill

Dear Jacqueline:

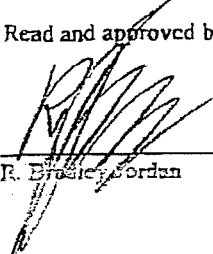
This letter will confirm that the plaintiffs in Kootenai County civil case number CV 07-3648 will release the lis pendens recorded as Kootenai County Instrument No's 2100796000 and 2117789000 against the real property described as Lot 12, Block 1, ECHO POINT, upon written confirmation that Idaho Independent Bank has received no less than \$216,231.27 from the sale proceeds, and on condition that no portion of the sale proceeds are distributed to Jerry Hill and/or Jenny Hill.

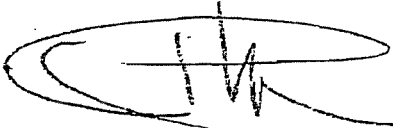
Thank you for your assistance in this matter. Please contact this office if you have any questions or require additional information.

Sincerely,

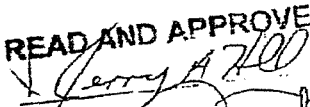

Scott L. Poorman

Read and approved by:


R. Bradley Jordan



Patrick J. Hill

HILL EXHIBIT "M" READ AND APPROVED

419 M-1

A. Settlement Statement		8. Type of Loan	
First American Title Company Settlement Statement		1.5. Loan Type	
		6. File Number 266904-C	
		7. Loan Number	
		8. Mortgage Insurance Case Number	
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside this closing; they are shown here for informational purposes and are not included in the totals.			
D. Name of Borrower: John Santillanes, Rita Santillanes			
E. Name of Seller: Jerry A. Hill, Jenny Hill 16778 W. Deer Ridge Dr. Post Falls, ID 83854			
F. Name of Lender: Panhandle State Bank 200 West Heider Coeur d'Alene, ID 83815			
G. Property Location: 5869 S. Lakeside Drive, Harrison, ID 83833			
H. Settlement Agent: First American Title Company Address: P.O. Box 1747, Coeur d'Alene, ID 83816		I. Settlement Date: 09/23/2008	
Place of Settlement Address: P.O. Box 1747, Coeur d'Alene, ID 83816		Print Date: 09/23/2008, 9:09 AM	
		Disbursement Date: 09/23/2008	
J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract Sales Price		401. Contract Sales Price	925,000.00
102. Personal Property		402. Personal Property	
103. Settlement charges to borrower (line 1400)		403. Total Deposits	
104.		404. Listing Broker Credit to Seller from ReMax By the Lake -	3,890.30
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409. Solid Waste Portion 09/23/08 to 01/01/09 @ \$91.00/yr	24.93
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
120. Gross Amount Due From Borrower		420. Gross Amount Due To Seller	928,915.23
200. Amounts Paid By Or In Behalf of Borrower		500. Reductions In Amount Due to Seller	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges (line 1400)	60,303.25
203. Existing loan(s) taken subject		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan - Countrywide Home Loans	515,027.91
205.		505. Payoff of second mortgage loan - Countrywide Home Loan	123,927.44
206.		506. Payoff of third mortgage loan - Bank of America	216,231.27
207.		507. Earnest Money Held By: ReMax By the Lake - Hayden	10,000.00
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes 01/01/08 to 09/23/08 @ \$4700.23/yr	3,425.36
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower		520. Total Reduction Amount Due Seller	828,915.23
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from Borrower (line 120)		601. Gross amount due to Seller (line 420)	928,915.23
302. Less amounts paid by/for Borrower (line 220)		602. Less reductions in amounts due to Seller (line 520)	928,915.23
303.		603.	
The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.			
Settlement Agent		Date:	

* See Supplemental Page for details.

420 M-2

L. Settlement Charges		
700. Total Sales/Broker's Commission based on price \$925,800.00 @ 7.0000% = \$64,750.00		
Division of Commission (line 700) as follows		
701. \$64,750.00 to Re/Max By the Lake - Hayden Office		
702.		
703. Commission paid at Settlement		
704. (Note: \$10000.00 POC Held By Re/Max By the Lake - Hayden Office)		54,750.00
800. Items Payable in Connection with Loan		
801. Loan Origination Fee		
802. Loan Discount		
803. Appraisal Fee		
804. Credit Report		
805. Lender's Inspection Fee		
806. Mortgage Insurance Application Premium		
807. Assumption Fee		
808.		
809.		
810.		
811.		
812.		
813.		
814.		
Supplemental Summary		
900. Items Required by Lender to be Paid in Advance		
901. Interest		
902.		
903. Hazard Insurance Premium for		
904.		
905.		
Supplemental Summary		
1000. Reserves Deposited with Lender		
1001. Hazard Insurance		
1002. Mortgage Insurance		
1003. City Property Taxes		
1004. County Property Taxes		
1005. Annual assessments		
1006.		
1007.		
1008. Aggregate Accounting Adjustment		
1100. Title Charges		
1101. Settlement or closing fee - First American Title Company		400.00
1102. Abstract or title search		
1103. Title examination		
1104. Title Insurance Binder		
1105. Document Fee		
1106. Notary Fee		
1107. Attorney Fee		
(includes above item numbers:)		
1108. Title Insurance - See supplemental page for breakdown of individual fees and payees		2,611.25
(includes above item numbers:)		
1109. Lender's coverage \$832,600.00		
1110. Owner's coverage \$925,000.00 Premium: \$2,611.25		
1111.		
1112.		
1113. Reconveyance Fee-Purchase - First American Title Company		189.00
1114.		
1115.		
1116.		
1117.		
1200. Government Recording and Transfer Charges		
1201. Recording fees: Deed \$0.00 Mortgage \$0.00 Release \$12.00		12.00
1202. City/county tax/stamps:		
1203. State tax/stamps:		
1204.		
1205.		
1206.		
1300. Additional Settlement Charges		
1301. Survey fee		
1302. Pest Inspection fee		
1303. Funds Held: Road Maintenance		500.00
1304. Lien Payment to Idaho Department of Labor Accounting, Payroll Control		1,380.00
1305. Septic Inspection to Septic Bill		425.00
1306. Courier and Handling Fee - First American Title Company		36.00
1307.		
1308.		
1309.		
1310.		
1311.		
1312.		
1313.		
1314.		
Supplemental Summary		
1400. Total Settlement Charges (enter on lines 103, Section J and 592, Section K)		60,303.25

* See Supplemental Page for details.

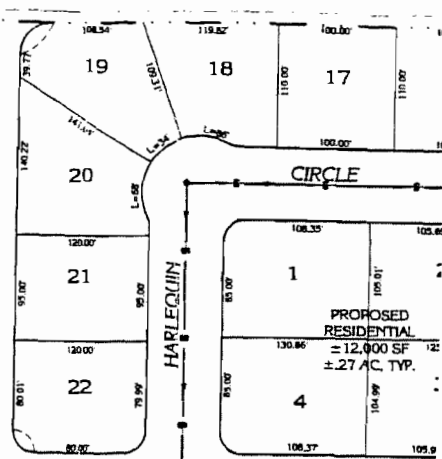
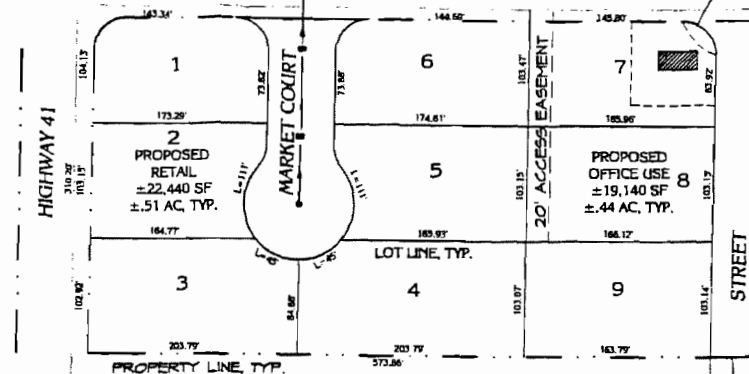
421 M-3

CONNECT TO NEW GRAVITY
SEWER SYSTEM ALONG
HIGHWAY 41

PROPOSED
LIFT STATION

12th AVE

HIGHWAY 41



CONCEPT UTILITY PLAN #1
OF

CRIMSON KING ESTATES

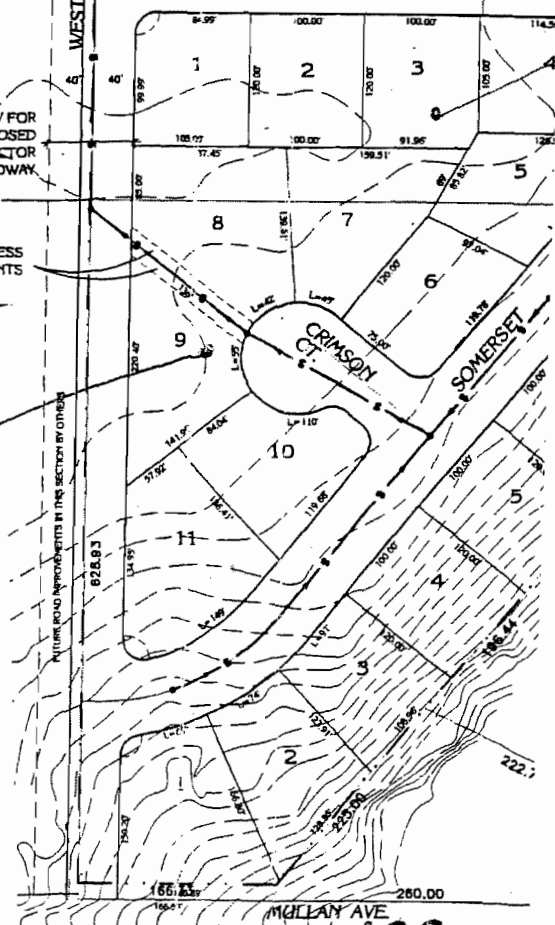
APRIL, 2005

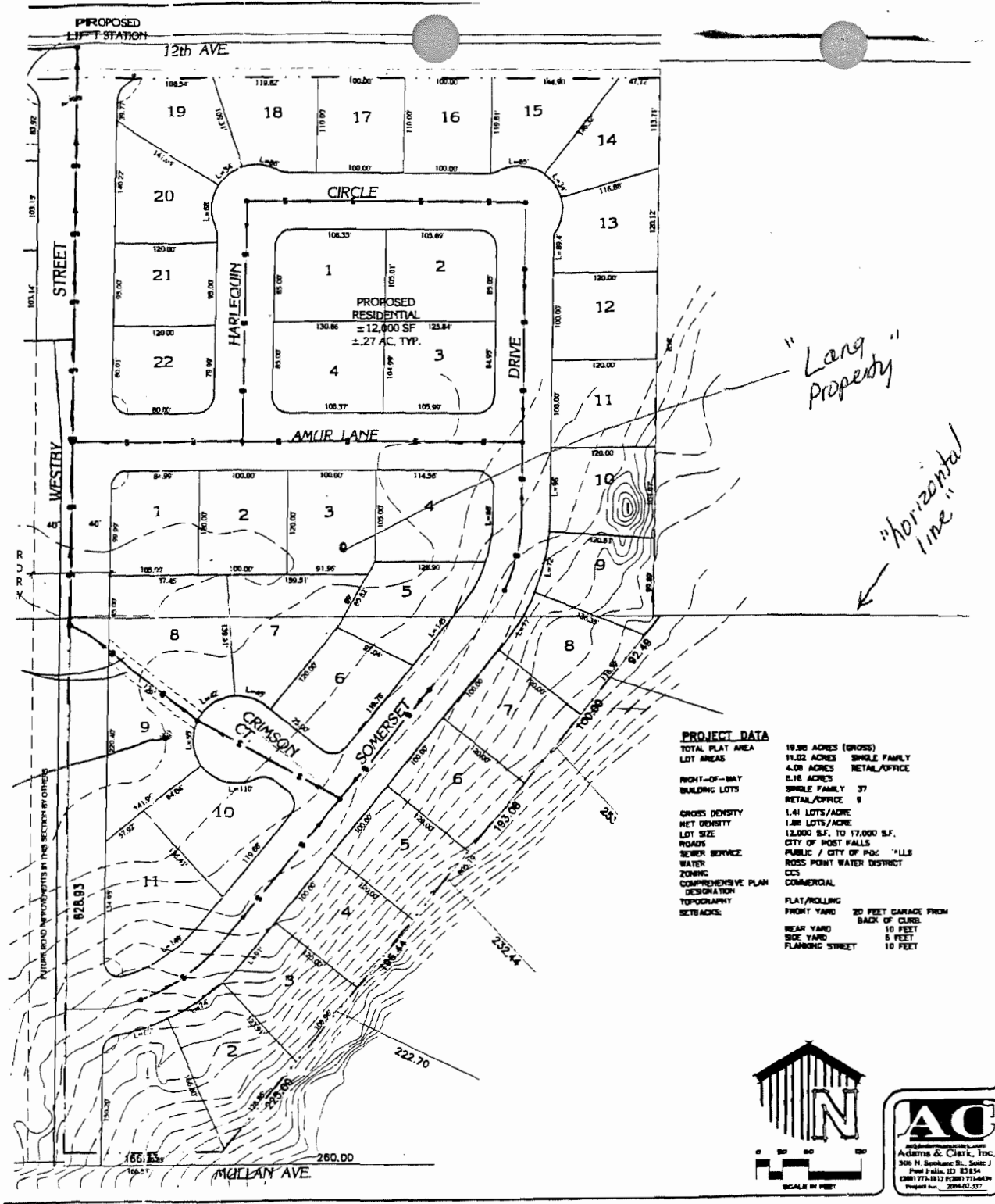
A PORTION OF SECTION 6
TOWNSHIP 50 NORTH, RANGE 4 WEST, B.M.
KOOTENAI COUNTY, IDAHO

75' RAW FOR
PROPOSED
COLLECTOR
ROADWAY

10' SEWER ACCESS
EASEMENTS

"Mullan
Property"





PROJECT DATA

TOTAL PLAT AREA	19.98 ACRES (GROSS)
LOT AREAS	11.02 ACRES SINGLE FAMILY 4.08 ACRES RETAIL/OFFICE
RIGHT-OF-WAY	8.18 ACRES
BUILDING LOTS	SINGLE FAMILY 37 RETAIL/OFFICE 9
GROSS DENSITY	1.41 LOTS/ACRE
NET DENSITY	1.88 LOTS/ACRE
LOT SIZE	12,000 S.F. TO 17,000 S.F.
ROADS	CITY OF POST FALLS
SEWER SERVICE	PUBLIC / CITY OF POC. *LLS
WATER	ROSS MOUNT WATER DISTRICT
ZONING	CCS
COMPREHENSIVE PLAN	COMMERCIAL
DESIGNATION	
TOPOGRAPHY	
SETBACKS	FLAT/ROLLING 20 FEET GARAGE FROM FRONT YARD BACK OF CURB. REAR YARD 10 FEET SIDE YARD 5 FEET FLANKING STREET 10 FEET



AC
Adams & Clark, Inc.
306 N. Seneca St., Suite J
Post Falls, ID 83854
CNR17741812 ECR01774449
Prepared for: 2004-02-27

HILL EXHIBIT "N"

STATE OF IDAHO } ss
COUNTY OF KOOTENAI }
FILED

745355

2007 MAY 21 PM 3:33 *Kne*

CLERK DISTRICT COURT

[Signature]
DEPUTY

Scott L. Poorman, ISB #4701
BECK & POORMAN, LLC.
8884 North Government Way, Suite D
Post Office Box 1390
Hayden, ID 83835-1390
Telephone: (208) 772-4400
Facsimile: (208) 772-7243

SUMMONS ISSUED

MAY 21 2007

Attorney for plaintiffs

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

R. BRADLEY JORDAN, an individual and
shareholder of JORDAN, HILL & HALL,
INC.; PATRICK J. HALL an individual and
shareholder of JORDAN, HILL & HALL,
INC.; and JORDAN, HILL & HALL, INC.,
an Idaho corporation;

Plaintiffs,

v. .

JERRY A. HILL and JENNY HILL,
husband and wife; and JOHN DOE and
JANE DOE 1-10,

Defendants.

Case No. CV 07-3648

COMPLAINT

Fee Category A.1.
Fee: \$88.00

Plaintiffs, by and through their attorney, Scott L. Poorman of the firm Beck & Poorman, LLC,
complains against the above-named defendants as follows:

1. Plaintiff R. BRADLEY JORDAN, (hereafter "JORDAN") is a resident of Kootenai
County, Idaho, and a shareholder, director and officer of plaintiff JORDAN, HILL &
HALL, INC.
2. Plaintiff PATRICK J. HALL, (hereafter "HALL") is a resident of Kootenai County, Idaho,
and a shareholder, director and officer of plaintiff JORDAN, HILL & HALL, INC.

COMPLAINT

EXHIBIT "D"
HILL Page 1

ASSIGNED TO
JUDGE MITCHELL

0-1
424

3. Plaintiff JORDAN, HILL & HALL, INC., (hereafter "CORPORATION") is an Idaho corporation in good standing doing business in Kootenai County, Idaho.
4. Plaintiff JORDAN holds 6,000 of the 18,000 authorized shares in the CORPORATION.
5. Plaintiff HALL holds 6,000 of the 18,000 authorized shares in the CORPORATION.
6. Defendant JERRY A. HILL and JENNY HILL, husband and wife, are residents of Kootenai County, Idaho, and the owners of certain real property and improvements legally described in **Exhibit "1"** and **Exhibit "2"** attached and incorporated herein.
7. Defendant JERRY A. HILL is a current shareholder and a former officer and director of plaintiff JORDAN, HILL & HALL, INC.
8. The court has jurisdiction over the parties and the subject matter of this action pursuant to Idaho Code §5-514.
9. Defendant JERRY A. HILL became an officer of the CORPORATION in 1997.
10. In 1998, defendant JERRY A. HILL acquired 6,000 of the 18,000 authorized shares in the CORPORATION.
11. From 1998 through April 12, 2007, defendant JERRY A. HILL was an officer, director and shareholder of the CORPORATION.
12. At the annual shareholders' meeting on April 13, 2007, JERRY A. HILL was not re-elected to the board of directors for the CORPORATION.
13. At the annual directors' meeting on April 13, 2007, JERRY A. HILL was removed as an officer and employee of the CORPORATION by a majority vote of the directors.
14. As an officer and director of the CORPORATION, defendant JERRY A. HILL owed a duty to the CORPORATION and its shareholders to act with due care and diligence and within the scope of his authority.

15. As an officer and director of the CORPORATION, defendant JERRY A. HILL owed a fiduciary duty to the CORPORATION and its shareholders to act with the utmost good faith, loyalty and trust for the benefit of the CORPORATION and its shareholders.
16. As an officer and director of the CORPORATION, defendant JERRY A. HILL held the assets of the CORPORATION in trust for the benefit of the CORPORATION and its shareholders.
17. During 2003, 2004, 2005 and 2006, JERRY A. HILL used, diverted and misappropriated assets of the CORPORATION for his own personal interests and purposes without the knowledge, authorization or approval of the shareholders or Board of Directors.
18. While an officer and director of the CORPORATION, defendant JERRY A. HILL breached his fiduciary duty to the CORPORATION and its shareholders by purchasing the real property identified in **Exhibit "1"** in direct competition and interference with the business of the CORPORATION.
19. While an officer and director of the CORPORATION, defendant JERRY A. HILL misappropriated and used CORPORATION assets to purchase the real property identified in **Exhibit "1"**.
20. While an officer and director of the CORPORATION, defendant JERRY A. HILL misappropriated and used CORPORATION assets for the improvement of the real property identified in **Exhibit "2"**.
21. While an officer and director of the CORPORATION, defendant JERRY A. HILL used a CORPORATION credit card account to purchase items and services for his own personal use and benefit without the knowledge, authorization or approval of the shareholders or Board of Directors.

22. In August of 2005, JERRY A. HILL forged and falsified the signature of director PATRICK J. HALL on a CORPORATION document for his own personal pecuniary gain.
23. While an officer and director of the CORPORATION, defendant JERRY A. HILL breached his duty to act with due care and diligence.
24. While an officer and director of the CORPORATION, defendant JERRY A. HILL acted with gross negligence in the performance of his duties to the CORPORATION and its shareholders.
25. As a direct result of the actions of defendant JERRY A. HILL alleged herein, the plaintiffs have been damaged in an amount in excess of \$500,000.00 to be proved at trial.
26. Plaintiff CORPORATION is entitled to recover from defendants JERRY A. HILL and JENNY HILL the reasonable value of all services, goods and materials obtained through the unauthorized use of corporate assets.
27. Plaintiff CORPORATION is entitled to recover all profits or other improper financial gain received by defendants JERRY A. HILL and JENNY HILL from their unauthorized use of corporate assets.
28. Defendants JERRY A. HILL and JENNY HILL have been unjustly enriched by their misappropriation and use of CORPORATION assets to acquire and improve the real property identified in **Exhibit "1"** and **Exhibit "2"**.
29. Plaintiff CORPORATION claims an equitable lien and/or constructive trust against the real property identified in **Exhibit "1"** and **Exhibit "2"**.
30. Plaintiff CORPORATION is entitled to indemnification from defendant JERRY A. HILL for any third party liability incurred by the CORPORATION arising out of the actions of defendant JERRY A. HILL alleged herein.

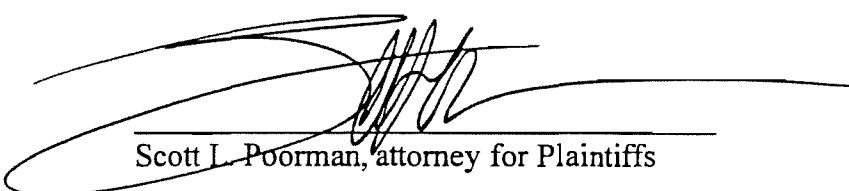
31. The plaintiffs have been required to retain the services of an attorney for the purpose of filing and prosecuting this action. The plaintiffs are entitled to recover their reasonable attorney fees and costs incurred pursuant to Idaho Code 12-120 and other statutory provisions. In the event of default, attorney fees should be awarded in the amount of \$3,000.

WHEREFORE, plaintiffs pray for the following relief:

- A. For a judgment against defendants JERRY A. HILL and JENNY HILL, husband and wife, in an amount in excess of \$500,000 to be proved at trial;
- B. For an order imposing a constructive trust and/or equitable lien upon the real property and improvements described in **Exhibit "1"** and **Exhibit "2"** attached hereto;
- C. For an order setting aside the defendants' purchase of the real property identified in **Exhibit "1"** and awarding title of said real property to the CORPORATION;
- D. For pre-judgment attachment against the real property identified in **Exhibit "1"** and **Exhibit "2"** pursuant to Title 8, Chapter 5, Idaho Code;
- E. For an award of all reasonable attorney fees and costs incurred by the plaintiffs, or, in the event of default, for attorney's fees in the amount of \$3,000.00;
- F. For such other relief as the Court deems just and equitable.

Dated this 21 day of May, 2007.

BECK & POORMAN, LLC.



Scott L. Poorman, attorney for Plaintiffs

1976634

AFTER RECORDING MAIL TO:

Jerry A. Hill and Jenny Hill
1900 Northwest Blvd.
Coeur d'Alene, ID 83814

STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF
~~First American Title Company~~

2005 AUG 31 P 1:25

DANIEL J. ENGLISH *bow*

DEPUTY
FEES *16.-*

WARRANTY DEED

File No.: 124318-C (js)

Date: August 30, 2005

For Value Received, **John A. Hill, an unmarried man**, hereinafter referred to as Grantor, does hereby grant, bargain, sell and convey unto **Jerry A. Hill and Jenny Hill, husband and wife**, hereinafter referred to as Grantee, whose current address is **1900 Northwest Blvd., Coeur d'Alene, ID 83814**, the following described premises, situated in **Kootenai County, Idaho**, to wit:

The West one-half of Tract 44, Block 31, POST FALLS IRRIGATED TRACTS, Kootenai County, Idaho, according to the plat recorded in Book C of Plats, page 78, being situated in the Southwest Quarter of Section 31, Township 51 North, Range 4, WBM, Kootenai County, State of Idaho.

APN: 0636031044AB

TO HAVE AND TO HOLD the said premises, with their appurtenances, unto said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

John A. Hill

John A. Hill

1945083

STATE OF
COUNTY OF
AT THE REQUEST OF
Kootenai County Title Co.

WARRANTY DEED

2005 APR 26 P 4: 28

DANIEL J. ENGLISH

DEPUTY

FEES

File No. 63566

For Value Received WILLIAM CHARLES FOUT and MARGARET MARY FOUT, Trustees of the WILLIAM and MARGARET FOUT LIVING TRUST

The Grantor, does hereby grant, bargain, sell and convey unto JERRY A. HILL and JENNY HILL, husband and wife

Address: , 513 W. Dakota Ave., Hayden, ID 83835

The Grantee, the following described premises, in Kootenai County, Idaho, to wit:

Lot 12, Block 1, ECHO POINT, according to the plat recorded in the office of the County Recorder in Book D of Plats at Page 70, records of Kootenai County, Idaho.

To have and to hold the said premises, with their appurtenances, unto the said Grantee, their heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee that they are the owner in fee simple of said premises; that they are free from all encumbrances, EXCEPT current taxes and easements of record, and that they will warrant and defend the same from all lawful claims whatsoever.

Dated:

William Charles Fout
WILLIAM CHARLES FOUT, Trustee

Margaret Mary Fout
MARGARET MARY FOUT, Trustee

STATE OF Idaho

COUNTY OF Kootenai

On this 21 day of April, 2005, before me, Keri Walters, a Notary Public in and for said State, personally appeared WILLIAM CHARLES FOUT and MARGARET MARY FOUT, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument as Trustee, and acknowledged to me that they executed the same as such Trustee.

Keri Walters
Notary Public for Idaho
Residing at Coeur d' Alene
My Commission Expires: 08/25/05

(SEAL)



Exhibit " 2 "
Page 1 of 1 .

430 0-7

Case Number Result Page

Kootenai

1 Cases Found.

R Bradley Jordan, etal. vs. Jerry A Hill, etal.Case: **CV-2007-0003648** District Filed: **05/21/2007** Subtype: **Other Claims** Judge: **John T. Mitchell** Status: **Closed 01/14/2009**Defendants: **Doe, Jane 1-10 Doe, John 1-10 Hill, Jenny L Hill, Jerry A**Plaintiffs: **Hall, Patrick James Jordan Hill & Hall Inc Jordan, R Bradley**

Disposition: Date	Judgment Type	Disposition Date	Disposition Type	Parties	In Favor Of
01/14/2009	Dismissal			Hill, Jerry A (Defendant), Hill, Jenny L (Defendant), Doe, John 1-10 (Defendant), Doe, Jane 1-10 (Defendant), Jordan, R Bradley (Plaintiff), Hall, Patrick James (Plaintiff), Jordan Hill & Hall Inc (Plaintiff)	Dismissed

Register Date
of
actions:

05/21/2007 New Case Filed - Other Claims

Filing: A1 - Civil Complaint, More Than \$1000 No Prior

05/21/2007 Appearance Paid by: Beck & Poorman Receipt number: 0745355

Dated: 5/21/2007 Amount: \$88.00 (Check) For: [NONE]

05/21/2007 Complaint Filed

05/21/2007 Summons Issued

08/20/2007 Amended Complaint Filed

Filing: 11A - Civil Answer Or Appear. More Than \$1000 No Prior

09/20/2007 Appearance Paid by: Paul W. Daugharty Receipt number: 0763113

Dated: 9/20/2007 Amount: \$58.00 (Check) For: [NONE]

09/20/2007 Notice Of Appearance, Paul W Daugharty obo Jerry A Hill & Jenny Hill

03/19/2008 Notice Of Proposed Dismissal Issued

03/26/2008 Affidavit for Retention

04/07/2008 Inactivity Order Printed - File Sent to Judge

04/10/2008 Order of Retention

04/10/2008 Order of Retention

10/03/2008 Notice Of Substitution Of Counsel

10/03/2008 Jerry Hill, Pro Se, Answer To Plaintiff's Amended Complaint

10/08/2008 Hearing Scheduled (Scheduling Conference 01/14/2009 04:00 PM)

10/08/2008 Notice of Scheduling Conference

11/17/2008 Hearing Scheduled (Motion to Withdraw 12/03/2008 03:00 PM)
Poorman11/18/2008 Affidavit of Scott L Poorman in Support of Motion for Leave to
Withdraw

11/18/2008 Motion For Leave To Withdraw As Attorney and Notice of Hearing

12/03/2008 Hearing result for Motion to Withdraw held on 12/03/2008 03:00

431 0-8

PM: Hearing Held Poorman
12/03/2008 Order Granting Motion for Leave to Withdfaw - Scott Poorman
12/05/2008 Proof Of Service of order Granting Motion For Leave To Withdraw
01/14/2009 Hearing result for Scheduling Conference held on 01/14/2009
04:00 PM: Hearing Vacated
Civil Disposition entered for: Doe, Jane 1-10, Defendant; Doe, John 1-10, Defendant; Hill, Jenny L, Defendant; Hill, Jerry A, Defendant; Hall, Patrick James, Plaintiff; Jordan Hill & Hall Inc, Plaintiff; Jordan, R Bradley, Plaintiff. Filing date: 1/14/2009
01/14/2009 Order Dismissing Case on Behalf of Plaintiffs for Failure to Comply with IRCP 11 Order Allowing Withdrawal of Plaintiffs' Atty
01/14/2009 Case status changed: Closed

Connection: Public

0-9

432

CERTIFICATE OF COMPLETION⁴³³

State of Idaho

Department of Correction

This is to certify that

Jerry Hill

Has completed the Idaho State Correctional Institution's

New Directions~Varied Levels~

Certificate issued this of January, 2011



A handwritten signature in black ink, appearing to read "Daniel Brown", written over a horizontal line.

Daniel Brown CADDC



EXHIBIT "P"
HILL

97615